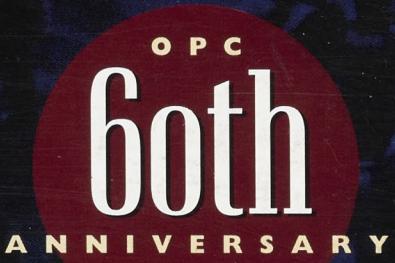


1999  
SPECIAL  
ISSUE

# Dateline

THE  
NEW  
EUROPE



INSIDE: WINNERS OF THE OVERSEAS PRESS CLUB AWARDS

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# Dateline



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**THIS PAGE:** A euro party in Paris



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# Congratulations

TO ASSOCIATED PRESS REPORTERS

## NIKO PRICE AND KEN GUGGENHEIM



### WINNERS OF THE HAL BOYLE AWARD for coverage of Hurricane Mitch

By NIKO PRICE

*Associated Press Writer*

LA LIMA, Honduras

(AP) — Finally, when the fiery sun was beginning its descent toward the banana trees and the swarms of flies were at their densest, Johanna stopped crying.

The 3-month-old had been wailing nonstop all day. Now, the only sign she was alive was her cream-colored, vein-streaked tummy, which rose and fell with each tiny breath.

Her mother poked Johanna's cheek. There was no response. She tweaked the infant's jaw, flapping her mouth open and shut. Johanna didn't move.

On the highway in northwestern Honduras, there was no escape from the sun. Mother and daughter were waiting for food near a lean-to where they have lived since hurricane Mitch filled their rented room with mud....

By KEN GUGGENHEIM

*Associated Press Writer*

TRUJILLO, Honduras

(AP) —Flushed out of her village by Hurricane Mitch's raging flood-waters, Laura Isabel Arriola de Guity drifted alone for six days far into the Caribbean Sea.

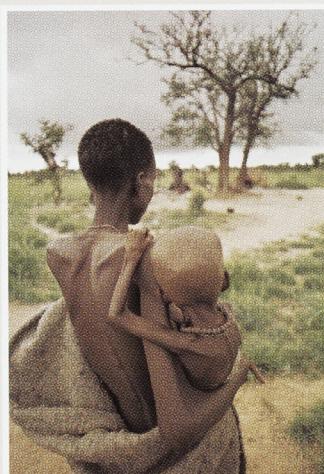
Her husband and three children were dead. All she had was a makeshift raft, the sea below, the sun in the day and the moon at night. No land was in sight.

On the sixth day, she spotted a duck nearby. "I started to talk with this duck," she recalled.

"I said 'Little duck, send a message that I'm alive. Take me to my people. Take me to the shore.'"



Congratulations to Associated Press photographer Brennan Linsley, winner of a citation of excellence for his coverage of the famine-stricken province of Bahr el Ghazal in southern Sudan.



AP/Brennan Linsley

A mother and her son return to a resting place under a tree after an unsuccessful attempt to find food, July 26, 1998.

# Letter from the President

**H**omeless no more! After 10 years of having a headquarters without a clubhouse in which to eat, drink and debate world problems, the OPC will celebrate its 60th birthday by moving into Club Quarters at 40 West 45th Street, in the heart of Manhattan.

There we will be reunited with our old friends in the Chemists' Club. And very possibly the New York Financial Writers will come along too, joining us in our elegant new surroundings.

We expect to move in this spring, though it will probably be a while longer before the OPC's Executive Director Sonya Fry and her assistant "Boots" Duque—together with all the files, old pictures and battle souvenirs collected during our 60 years—are installed in our new subterranean office, which quite appropriately will be located right under the bar.

This is a big step forward for us.

Since the OPC's raucous heyday (see pages 10 and 18), it's been hard to attract new members without a place to meet. Over the course of the past year we've done the best we could, hopping around town, and holding our programs, panel discussions, book nights and board meetings in various venues. It's been quite an extraordinary juggling act.



**SONYA FRY,  
OPC EXECUTIVE  
DIRECTOR**

A few times in recent months we've put our future clubhouse to the test. A panel discussion on the euro and our annual holiday party were both held at Club Quarters—and with great success.

Most important of all, we think our new home, which has modern rooms available at reasonable rates (about half the price charged by New York hotels), will be a magnet for correspondents and photographers based overseas. We're hoping the various news organizations will encourage (and perhaps even subsidize) their far-flung operatives to join the OPC so they can avail themselves of these very fair-priced facilities when they're in New York.

The club has grown steadily under past presidents H.L. Stevenson, Larry Smith, Bill Holstein and John Corporon. Particular thanks to John for his handling of the negotiations with the Club Quarters management. Even if you're not a

member, please drop by and visit us in our new home, or online at [opcofamerica.org](http://opcofamerica.org). Maybe Sonya will sign you up. We're counting on membership to make a quantum leap before this landmark year is over and we turn 61.

*Roy Rowan*



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# Where OPC Members Are Welcome



## OUR NEW HOME

### Rumford Hall in Club Quarters

The Overseas Press Club of America is most pleased to be able to invite reciprocal members to visit our new Club Quarters, at 40 West 45th Street. Rumford Hall, pictured here, is an ideal place to meet for a drink before having dinner in the very fine adjacent restaurant. For access, please obtain a guest card in the OPC office downstairs.

## UNITED STATES

### National Press Club

National Press Building  
14th and F Streets, NW  
Washington, DC 20045

202-662-7500  
202-662-7569 (fax)  
Monday to Friday, 7am to 11pm  
Saturday 11am to 4pm

Two restaurants, bar. Fitness center, library-research center, equipped work space. Guest card needed from office (Monday to Friday, 8:30am to 5:30pm). Discount rates at Hotel Washington.

### The Greater Los Angeles Press Club

Sunset Media Tower  
6255 Sunset Boulevard, Suite 2000  
Hollywood, CA 90028  
213-469-8180  
213-469-8183 (fax)

### San Diego Press Club

2454 Heritage Park Row  
San Diego, CA 92110  
619-299-5747  
619-299-4951 (fax)  
Club at San Diego Mission Valley Marriott:  
8757 Rio San Diego Drive  
619-692-3800  
25% discount on food. Health club and swimming pool. Hotel rates discounted.

### Miami International Press Club

555 Northeast 15th Street, Suite 25K  
Miami, FL 33132  
305-372-9966  
305-372-9967 (fax)  
Club in the Sheraton Biscayne Bay Hotel:  
495 Brickell Avenue  
305-373-6000  
20% discount on meals. Press room, speaker lunches, two International Press Centers: near hotel and at airport. \$99 year-round hotel rate.

### International Press Club of Chicago

222 West Ontario Street #502  
Chicago, IL 60610  
312-787-2679  
312-787-2680 (fax)  
Club at Executive Plaza Hotel:  
71 East Wacker Drive  
10% discount on food and beverages.  
\$79 hotel rate.

### The Press Club of Metropolitan St. Louis

Webster University, Downtown Campus  
911 Washington Avenue  
St. Louis, MO 63101  
314-241-6397  
314-621-9232 (fax)  
Monday to Friday, 9am to 4pm  
with advance notice. Meeting rooms, work space, monthly forums.

### Albuquerque Press Club

201 Highland Park Circle, SE  
Albuquerque, NM 87102  
505-243-8476 (voice and fax)  
Historic building, bar, pool table, darts (open evenings), meeting rooms and work space.

### Omaha Press Club

1820 First National Center  
1620 Dodge Street  
Omaha, NE 68102  
402-345-8587  
402-345-0114 (fax)  
Restaurant, bar (coats and ties for men).

### Press Club of Dallas

2506 McKinney Avenue, Suite C  
Dallas, TX 75201  
214-740-9988  
214-740-9989 (fax)  
Monday to Friday, 9am to 5pm  
Club at Adam's Mark Hotel. Equipped work space in office.

## CANADA

### National Press Club of Canada

150 Wellington Street  
Ottawa, Ontario K1P 5A4  
613-233-5641  
613-233-3511 (fax)  
Monday to Friday, noon to 1am  
Saturday 1pm to 7pm  
Dining room, two bars, lounge. Equipped business center; free use of squash courts, pool, sauna, exercise room at nearby university. Golf course and hotel rooms at reduced rates.

### Montreal Press Club/Cercle des Journalistes de Montreal

1240 rue Drummond  
Montreal, Quebec H3G 1V7  
514-875-0964  
Monday to Friday, noon to midnight.  
Club at Hotel Europa. Bar; meeting room, work space. Discounted room rate.

## BRAZIL

### Associação dos Correspondentes Estrangeiros

Rua Oscar Freire 953  
01426-001 São Paulo, SP  
55 11 3061-0214  
55 11 280-0794 (fax)  
Informal association with press conferences, social events.

## AUSTRIA

### Presseclub Concordia

Bankgasse 8  
1010 Wien  
43 1 533 85 73  
43 1 533 71 729 (fax)  
Monday to Thursday, 9am to 6pm  
Friday 9am to 1pm  
Bar; meeting rooms, work space, press conferences.

## ENGLAND

### London Press Club

Freedom Forum European Centre  
Stanhope Place  
London W2 2HH  
**44 171 402-2566**  
**44 171 262-4631 (fax)**  
Monday to Friday, 10am to 6pm  
Meeting room, library.  
Restaurant and bar at City Golf Club:  
24 Bride Lane (just off Fleet Street)  
**44 171 353-8262**  
Monday to Friday, 11am to 8pm

## RUSSIA

### International Press Center and Club—Moscow

Radisson Slavjanskaya Hotel  
Berezhkovskaya nab. 2  
Moscow 121059  
**7 095 941-8621**  
**7 095 941-8414 (fax)**  
Monday to Saturday. Dining room, bar.  
Equipped business and telecommunications  
center, library, translation services, meeting  
rooms, 550-seat auditorium, health club.  
Discounts at Radisson Hotel.

**852 28684092 (fax)**

Monday to Saturday, 8am to 11pm  
Restaurants, two bars. Health corner, pool.  
FCC must issue photo ID card; bring photo  
or be charged for instant photo.

## JAPAN

### The Foreign Correspondents' Club of Japan

Yurakucho Denki Building, 20th Floor  
7-1 Yurakucho 1-chome, Chiyoda-ku  
Tokyo 100  
**81 3 3211-3161**  
**81 3 3284-1688 (fax)**  
24-hour switchboard and workroom.  
Restaurants and bars, noon to 11pm  
Sushi bar; extensive library, equipped work  
space, radio transmission booths, film room.

## MEMBER PRIVILEGES

### PARIS

#### Hotel Scribe

1 Rue Scribe  
75009 Paris  
**33 1 44 71 24 24**  
**33 1 42 65 39 97 (fax)**

Historic World War II press landmark  
hotel. 15% discount on food and  
beverages. About 50% off on room rates  
at this four-star hotel.

### DUBLIN

#### Hibernian United Service Club

8 St. Stephen's Green  
Dublin 2  
**353 1 6770951**  
**353 1 6795994 (fax)**

Room rates: about \$65 to \$90,  
breakfast included.  
Dining facilities (coat and tie), bar,  
library, snooker tables.

### SOUTH KOREA

#### The Seoul Foreign Correspondents' Club

Korea Press Center, 18th Floor  
25 Taepyeong-ro 1-ka  
Chung Ku, Seoul  
**82 2 734-3272**  
**82 2 734-7712 (fax)**  
Monday to Saturday, 10am to midnight.  
Restaurant, bar. Equipped work space.

### The Foreign Press Association in London

11 Carlton House Terrace  
London SW1Y 5AJ  
**44 171 930 0445**  
**44 171 925 0469 (fax)**  
Monday to Friday, 10am to 6pm  
Restaurant, bar. Equipped work space, news  
wire, government press conferences.

### Russian-American Press and Information Center

Box 229, Novy Arbat 2  
Moscow 121019  
**7 095 203-5815**  
**7 095 203-6831 (fax)**  
New York University contact: 212-998-7963  
Press conferences and briefings in  
several Russian cities; research library,  
computers, seminars.

### THAILAND

#### The Foreign Correspondents' Club of Thailand

Penthouse, Maneeya Center Building  
518/5 Pleonchit Road, Patumwan  
Bangkok 10330  
**66 2 652-0580 (office)**  
**66 2 652-0582 (fax)**  
**66 2 254-8165 (clubhouse)**  
Monday to Saturday, 10am to midnight.

### FRANCE

#### Press Club de France

11 Avenue d'Iena  
75116 Paris  
**33 1 40 73 88 30**  
**33 1 40 73 88 49 (fax)**  
Monday to Friday, 8am to 7pm  
Restaurant, bar (30% discount). Press room,  
TV studio, meeting rooms. Hotel discounts.

### SPAIN

#### Barcelona International Press Centre

Rambla de Catalunya, 10, 1er  
08007 Barcelona  
**34 3 412 11 11**  
**34 3 317 83 86 (fax)**  
Monday to Friday, 9am to 9pm  
Restaurant, bar. Press conference room,  
library, work space.

### GERMANY

#### International Press Club of Munich

Marienplatz 22  
80331 München  
**49 89 2602 4848**  
**49 89 2602 4850 (fax)**

### ISRAEL

#### Foreign Press Association in Israel

9 Itamar Ben-Avi Street  
Tel Aviv 64736  
**972 3 6916143**  
**972 3 6961548 (fax)**  
No clubhouse. 20% discount at Beit Sokolov  
(Journalists House) restaurant. Newsmaker  
events; near Library in English. Hotel discounts.

### ITALY

#### Circola della Stampa

Corso Venezia 16  
20121 Milano  
**39 2 76022671**  
**39 2 76009034 (fax)**  
Dining room, bar. Meeting rooms,  
videoconferencing, Internet access.

### HONG KONG

#### The Foreign Correspondents' Club of Hong Kong

North Block, 2 Lower Albert Road  
**852 25211511**

### VIETNAM

#### Press Club, Hanoi

59A Ly Thai To  
Hanoi  
**84 4 9340888**  
**84 4 9340899 (fax)**  
Seven-level structure combines facilities  
for business and press: dining room (10%  
discount), café, outdoor terrace, bar; meeting  
rooms, work space, library, fully equipped  
media services.

### AUSTRALIA

#### Foreign Correspondents' Association of Australia & South Pacific

Box A2404  
Sydney South NSW 1235  
**61 2 9771-2535**  
**61 2 9792-3631 (fax)**  
High-tech international media center;  
teleconferencing facilities, audiovisual room,  
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# Dateline OPC 60th Anniversary



THE OPC'S FORMER HEADQUARTERS AT 54 WEST 40TH STREET, WHICH FEATURED POLITICS, JAZZ AND A BUSY BAR

## The Supernova on Bryant Park

*The OPC's longtime headquarters in New York was a favorite meeting place for reporters from around the globe*

By George E. Burns

Though the Overseas Press Club has been around since the dawn of World War II, veterans agree that its most sumptuous period was in the 1960s, when membership was at its highest and its clubhouse was a famous wateringhole—though little water was imbibed—for newshounds and politicians from around the globe. The club was housed in a stately mansion at 54 West 40th Street in Manhattan. The dark-paneled bar and grill past the lobby teemed nightly with reporters, some of whom patronized the grill. On the second floor a formal dining room opened through French doors overlooking Bryant Park's lush foliage and nocturnal drug peddlers. On upper floors were hotel rooms. The barbershop was just off the lobby, behind the elevator.

The resident membership included two contentious political groups: the Lunch Crowd, dignified and serious; and the Bar Crowd, convivial and boisterous. The Lunch

Crowd looked with disdain on the Bar Crowd, which made bawdy sport of the Lunch Crowd. The two segments in combination represented a typical cross section of the reporters of the day (journalists had not been invented yet).

Annual meetings evoked passionate debate late into the night. The parties campaigned heatedly in elections. Platforms, endorsements, denunciations proliferated. Committees worked the phones and buttonholed voters.

In 1969 the triumphant Bar Crowd finally unseated the entrenched Lunch Crowd, electing Will Oursler president. The new administration's first act was to audit the books, which astonished both parties by revealing a devastating debt. It was too late for the stunned victors to reverse the election. The OPC soon lost its clubhouse and began a long, slow decline, reversed only in recent years.

But the decade or so before that disaster were supernova years, the club's true glory days.





*For those who have  
covered every corner,  
we salute you.*

*Congratulations to the winners of the Overseas Press Club Awards.*

**ABCNEWS**





**EUBIE BLAKE  
PERFORMS AS  
PART OF AN OPC  
JAZZ SERIES**

Annual awards dinners filled the Grand Ballroom and mezzanine of the Waldorf-Astoria, and later the New York Hilton. Public figures abounded; corporations filled tables, and their hospitality suites stretched the merriment into the morning hours. The dais ran to two tiers of dignitaries.

Snapshot: toastmaster Bob Considine intoning "It is now my privilege to introduce the dais, which comes to us tonight courtesy of Madame Tussaud." Bob himself on this occasion received an award, a majestic crystal eagle's head. He turned profile to display two formidable beaks: the eagle's and his own. "This is the first award I've gotten that looked like me," he said.

**O**r listen to radio broadcaster Lowell Thomas, after Defense Secretary Schlesinger spent 40 grim minutes anticipating a Soviet Armageddon till you could hear atomic bombers approaching. Said Thomas, deadpan: "I wasn't planning to speak, but after listening to the Secretary, I think somebody should introduce a serious note into the evening." He then did eight minutes of impromptu comedy that rocked the huge ballroom. (Schlesinger missed it all, having decamped after speaking.)

The clubhouse bar was the liveliest venue. Standees, often two ranks deep, speared drinks over the shoulders of barstool squatters. Reporters, neckties loosened, drinks flowing, cigarettes dangling, exchanged amazing stories, and argued politics and issues. The debate was ongoing as to which of the six or so dailies then publishing had the most inept editors and management, with each reporter at pains to prove that his did.

Head bartender Jimmy Menditto, portly and genial, presided over the assemblage with patience and wisdom. Late one evening a young bartender said to him, "Mr. So-and-so's already had too many drinks, and he just ordered another. What'll I do?" Raising his eyeglasses, Jimmy studied the subject and said, "Pour him a double. Let's get this over with as quickly as possible."

The OPC had reciprocal agreements with scores of other press clubs (except the National Press Club, which denied reciprocity because the OPC had women members—but the NPC did issue guest cards). Visitors from these far-flung organizations brought keen insights to the bar. Example: A visiting Chicago reporter was asked, "Whatever happened to that New York police inspector Chicago hired to stop all the petty graft and corruption in its police force?" He reported, "He didn't stop the graft and corruption, but he sure took the pettiness out of it."

Or Orlando Ruggeri, Italy's Walter Cronkite, describing in heavily accented English his attempt to book a flight to Cape Kennedy via Melbourne, Florida: "She ask me, 'What's your name?' I say, 'Ruggeri, Orlando.' She say, 'Orlando? I thought you wanted to go to Melbourne.' I say, 'Yes, I go to Melbourne; I'm Orlando.' She is confused, but I keep explaining. Finally she say, 'Make up your mind, Melbourne or Orlando?'" What happened? He shrugged, "I go to Orlando."

The AP's legendary columnist Hal Boyle, known for keeping very late hours at the bar, was once asked, "What did your wife say when you got home last night?" He responded, "I don't know. She hasn't gotten to the verb yet."





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Legends of fistfights erupting are vastly exaggerated; there probably weren't more than a couple, which Jimmy—he could move fast when called upon—quickly broke up. One member with unusually vehement convictions did throw a barstool at another who challenged him, but that only happened once.

For a while the club assigned a member of the House Committee to the bar nightly, so that employees would not have to police members. The elegant dowager novelist Agatha Young had this duty one night and awed members by ordering some obstreperous European guests out of the bar—in French. This same grande dame on another occasion, hand on hip, stared up at the walls of the freshly repainted lobby and demanded, "Who selected the menopause blue?"

Meanwhile, on the grill side the cheerful cook delivered steak sandwiches to those who paused for sustenance, and in idle moments bootlegged club inventory out the back door of the kitchen to the agent of a nearby restaurant.

es, but this never occurred to anyone, because in those innocent times reporters were presumed to be incorruptible.

Today, of course, all of this merriment would be considered politically incorrect, not to mention bad for your health. So skeptics should be aware that the OPC also held serious programs and solicited newsmakers to hold press conferences at the clubhouse. I was on the Public Relations Committee, which supported the press conferences. The Program Committee called me one day:

"We've got the Prime Minister of Jamaica for a press conference a week from Tuesday."

"What's he going to talk about?"

"Talk about?"

"Talk about."

"He's a Prime Minister."

"The U.N. just opened—Prime Ministers are obstructing traffic. What does he have to say that will draw the press?"



**THE DAIS AT THE 1969 ANNUAL AWARDS DINNER AT THE WALDORF RAN TO TWO TIERS OF DIGNITARIES**

Entertainments were frequent.

Jazz writer and member Wilma Dobie orchestrated a series of OPC Twilight Jazz concerts that played once or twice a month for 18 years. She recruited more than 150 jazz artists to play at the club—Dizzie Gillespie, Bobby Hackett, Marian McPartland and Jane Jarvis, along with other stars. They packed the house with members and guests. Critics covered the series. The OPC became a regular, popular gig on the jazz circuit. The series produced two albums, *Earl Hines and Maxine Sullivan Live at the Overseas Press Club* and a second that won a Grammy.

Another feature was "regional dinners." The government tourist offices of countries hustling the U.S. market periodically dispatched chefs to the clubhouse kitchen to prepare lavish feasts featuring their national cuisine, which they served, with indigenous wines, to improve reporters' understanding of their national culture and heritage.

Seagram's once held a "Scotch blending" night, distributing boxed miniatures of single-malt whiskies. They taught reporters how to mix them to resemble popular labels, then invited them to invent their own blends: some surpassed Seagram's own Chivas Regal. This was ascertained by diligent and conscientious tasting.

Some today might question the ethics of accepting such blandishments, even for research purposes.

The question stumped him, but we were committed, and we went through the full notification and follow-up drill. At the appointed time, two reporters arrived: one from Reuters, covering the Empire, the other from UPI. Both were adolescents sent to gain experience. The Prime Minister and his retinue swept in. I greeted them and puzzled what to do next.

Sid Shapiro of *Stars and Stripes* stuck his head in the door and asked what was going on. I explained the situation. He said, "Give me a couple of minutes."

Sid went downstairs to the busy bar and announced, "Burns is upstairs with the Jamaican Prime Minister and no press." They laughed a lot. "There's an open bar," he added.

In moments, reporters, notebooks in hand, were pouring out of the elevator and streaming up the stairs. They filled their glasses and started peppering the Prime Minister with questions—pointed, challenging questions—about Caribbean issues and politics, which the PM answered eloquently. Then they drank with him at the open bar till he left. Most of them crumpled up the notes they had taken and threw them away as they returned to the downstairs bar.

A comedy, I thought. But not really.

A week later the Jamaican mission sent the OPC a copy of *The Gleaner*, the Caribbean's largest-circulation daily. The front page was devoted to

“COLORS CAPTURED ON  
PROVIA ARE ALWAYS REALISTIC.  
SOMETIMES PAINFULLY REALISTIC.”

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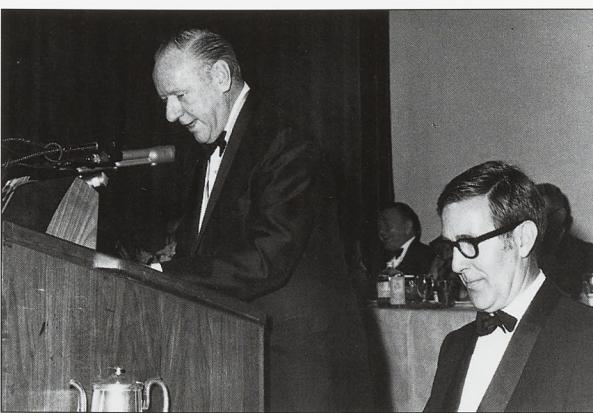
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the big press conference the PM had given at the Overseas Press Club in New York. Pictures showed a roomful of intent reporters, asking questions, taking notes. The story jumped inside and filled column after column with the PM's answers. It was a p.r. triumph for the club.

Another anecdote: UPI's Peter McEvoy was one of the last tough front-page reporters. He could be irascible when drinking, as he was one night when an eminent historian from a college in Virginia sat, with his wife, next to him. Pete overheard the historian explaining the premise of his new book on the Civil War era, and he interjected an opinion. "That's horseshit," he said. In moments the historian and the reporter were debating the era's politics in minute detail. A member apologized to the historian's wife and moved to separate the two, but she said, "No, don't. He's so respected at the university that nobody ever challenges him. Now he's being forced to defend his thesis, and he's having the time of his life."

Upon departing, the refreshed historian said to a member, "That Peter is a remarkable man; what's his background?"

PHOTOGRAPH BY RICHARD LAIRD



**HEARST COLUMNIST BOB CONSIDINE INTRODUCES REPRESENTATIVE MORRIS UDALL IN 1969**

"He's a police reporter," was the nonchalant response.

Hearst syndicated columnist Bob Considine once was featured at an Old-Timer's Night that brought out legendary giants of the past, the senior journalistic luminary being Jimmy Kilgallen, who must have been near 90. Surveying the crowd, he opened, "We might as well be holding this meeting at Frank Campbell's." (That's New York's celebrity funeral home.)

After telling some stories of the good old days, he closed by saying, "We're getting out of this business at the right time. Look at

these new reporters coming into the newsrooms. They're much better educated than we were. More serious and conscientious. They don't drink, and they go home nights.

"I don't understand them at all."

It was another age.

---

George E. Burns worked in public relations for Pan American Airways in the days he writes about, later for TWA and Citibank, and is now retired. He has been a member of the OPC since 1965, and attributes his longevity and health to the rigorous training he received in the venue he describes.



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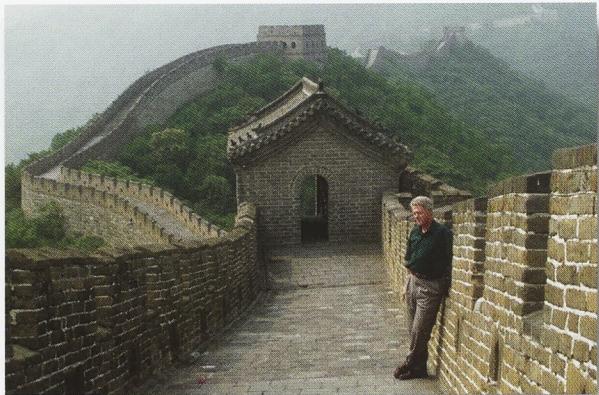
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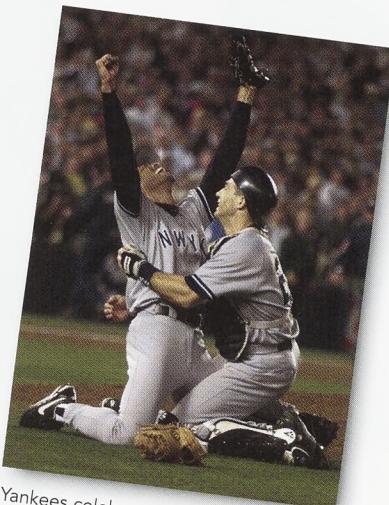
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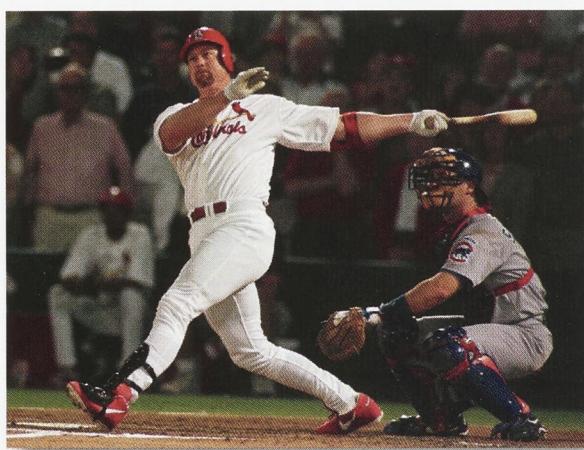
Yankees celebrate World Series win,  
Oct. 21, 1998, photo by Mike Blake



Shuttle Discovery blasts off from Cape  
Canaveral with John Glenn aboard,  
Oct. 29, 1998, photo by Joe Skipper



Austria's Alexander Wurz crashes at the Canadian Grand Prix in  
Montreal, Jun. 7, 1998, photo by Peter Jones



McGwire hits 61st home run, Sept. 7, 1998, photo by Tim Parker

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**FOUNDING MEMBER FAY GILLIS WELLS  
WAS A JOURNALIST-AVIATOR WHO KNEW  
AMELIA EARHART, UPPER RIGHT, AND  
COVERED A STRING OF  
PRESIDENTS**



## Six Decades Later...

*Two founding members recall the club's wartime origins*

By Larry Smith

The famous aviator Wiley Post asked Fay Gillis Wells in 1935 if she wanted to go flying with him. Now Fay had eloped with Linton Wells shortly before, and the New York *Herald Tribune* had just directed Linton to cover the Italian-Ethiopian war. "I decided I didn't want a substitute on my honeymoon," recalls Fay, who is now 90, "so I said no to the flight. Wiley picked Will Rogers, and he was killed when their plane crashed in Alaska. I went to war—and I'm still here."

Clearly fate had larger things in mind for Fay: to become a founding member of the Overseas Press Club of America, and to pursue a long and distinguished career in journalism. Among other jobs, she covered the White House during the Johnson, Nixon, Ford and Carter administrations for the Storer Broadcasting Company—from 1964 to 1977. She began her career with the *Herald Trib* in Russia in 1930 as an "aviation expert." In those days, she explains, "anybody who could parse a sentence was rushed into the business."

Her husband Linton was also among the nine foreign correspondents who gathered to found the OPC at the Algonquin Hotel in New York on April 2, 1939. (Linton died in January 1976 at 82.) Those who met that day were led by Charles Ferlin, who had started the ball rolling with a call for action over drinks at a joint called Rocky's on Ninth Street and Sixth Avenue. He was joined by Samuel Dashiell, Hal Lehrman, Irene Corbally Kuhn, Wythe Williams, Eugene Lyons, Linton and Fay, and Robert Spiers Benjamin, who was 23 at the time and just back from Panama, where he had been stringing for the AP.

"I was the youngest member then, and I'm the oldest now," Bob Benjamin said recently from his home in Mexico City, where he has lived for the past 40 years. He's wrong, of course. He's a mere

stripling of 82. He retired two years ago, after a career that included covering the Perons for 12 years, stringing throughout Latin America and serving as *Time's* Mexico City bureau chief. He published some travel books and spent a lot of time in public relations.

The infant OPC needed funds (surprise), so its patrons came up with the idea for a dinner at the Park Lane Hotel on Feb. 2, 1940, and Bob was named chairman. The dinner, he recalled in an OPC *Bulletin* article in 1959, was partly in honor of a book written by various club members, *The Inside Story*, that he had put together to raise money. Bob was also, fortuitously, an editor of the publishing company that brought it out. It became a best seller and made a lot of money for the club. The *Saturday Review of Literature*, no less, called it "good off-the-record journalism" and "highly revealing reading as well." The review noted, "The spontaneity and journalistic bonhomie that marked the founding of the Overseas Press Club is also reflected in the newspaper yarns, for inevitably every foreign correspondent has at least one hitherto unpublished account of the actual behind-the-scenes dramas that take place on the international stage."

The first dinner—the last annual event to be held before Pearl Harbor—was a big hit, incidentally. Amy Vanderbilt helped Bob put together a glittering guest list that included Herbert Hoover, David Sarnoff and Alexander Kerensky. The club took off and never looked back, with membership by 1961 at 3,300. It also was making plenty of money. J.F.K., Henry Kissinger, Golda Meir, King Hussein and assorted governors, ambassadors, authors and musicians all came by. Edward R. Murrow, who helped raise the money to buy the building the club owned at 54 West 40th Street, was a seven-time OPC award winner.

Barrett McGurn, who was president when the club reached 25 in 1964, told H.L. Stevenson 10 years ago, "As a newsman's club we were over-



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extended financially: two restaurants, a bar, 15 hotel rooms, a building in a prime Manhattan location and 75 employees."

Outlining the club's history in an article for *Dateline* May 11, 1989, Stevenson told how "scandal struck" in 1969 when an estimated \$250,000 went unaccounted for and the club's manager disappeared, then killed himself in a New Jersey motel. The clubhouse had to be sold, and from that point on the OPC embarked on a kind of vagabond life, searching for a home as membership slowly eroded and television lured the stars away.

It's a different world today, and sometimes it's hard to conceive how the club came together. I asked Fay Wells. "We made the club for all the foreign correspondents," she said. "You have to remember, they were in a class by themselves. Regular reporters would come down and interview the foreign correspondents when they arrived by ship from abroad. With the war coming up, we needed some place to get together."

"You know, we didn't have communications then like you do today. If someone came home, this was a natural way to get together and find out what was going on. There were 105 correspondents sent to cover that little war in Ethiopia. And you always knew someone from Paris or Berlin or London or Rome. We used to meet at the American Express office in Paris at noon to see who was in town. Anyone who came back from the war had a story to tell. And we wanted to hear it."

Fay had some stories to tell herself—the one, for instance about her parachute jump. "I only made one," she says, "and it wasn't intentional." The year was 1929, and Fay was 20. "I had just soloed the day before," and Sonny Trunk, her instructor at Curtiss Wright Field in Valley Stream on Long Island asked if she wanted to do some aerobatics. "Well," she said, "you always want to do aerobatics, so we went up and started doing tricks." They were in a Curtiss Fledgling, she recalled, "a wonderful, safe, big old biplane with two open cockpits."

"We were flying upside down," she said, "when the wing started to flutter, the tail started to vibrate and the plane disintegrated. Our safety belts broke, and we had no decision to make at all. I was just thrown out; I had no idea where the rip cord was and just managed to pull it." Her chute opened at around 400 feet, and she landed safely.

It was just one incident in a marvelously adventurous life. For instance, she and Linton spent the war years in Luanda, Angola, helping oversee the production of sisal, which was a source of hemp used for making shipboard rope and needed "since we had lost the Philippines." They came back and lived on a 50-acre farm in Mount Kisco, N.Y., sailed down the Intracoastal Waterway and hung out in Ft. Lauderdale. Then, after four years, "we decided to go back to the real world, because, you know, yachting is never-never land."

Given his decades of living in Latin America, Bob Benjamin has strong views on what's going on there. I asked him about all the troubles and the future of Mexico and Latin America. "They've got a

lot of problems," he said, "but they're so important to the world that they just have to solve them. I've been living here a long time, and I have never had problems. Brazil and Argentina are so important, they have to keep going."

He called Chile, Uruguay and Peru the most stable governments in Latin America. "Mexico is stable, despite all you read. This a huge country, and if you get outside Mexico City, this is a paradise." He sounds like a foreign correspondent.

There were times in the 1970s and '80s when the club holed up in some strange places. "I remember our uneasy sojourn at the Women's National Republican Club," Herb Kupferberg, a former OPC president, recalled. "They were very hospitable, and it beat being out in the street, but we weren't women Republicans—not all of us, anyway—so it wasn't a very happy time. I've always been glad that my tenure was at the old Chemists' Club, which I still remember fondly every time I pass by their empty building."

Membership declined to fewer than 300, and sleight of hand if not outright larceny was employed to pay the bills from month to month. Then UPI's H.L. Stevenson came along and showed there was dance in the old dame yet. Today the club has money in the bank—six figures!—and membership is approaching 600.

"H.L. Stevenson was a great institution builder," remembers Bill Holstein, who himself made an important contribution as club president and now heads the OPC Foundation. "He knew how to build the institution that was UPI, and when he was no longer involved there, he turned his energy and ambition to the Overseas Press Club."

Stevenson, who was president from 1990 to 1992, died April 3, 1995, but not before he got to shaking up the somnolent OPC Foundation and turning it into a sponsor of scholarships. H.L. stood for Hubert Lamar, which nobody ever called him. He never went to a university, but even though he came up the hard way, "he had a passionate commitment to helping other people get educated," Holstein said. "He began the OPC program in 1991 with two scholarships of \$1,000 each. He begged for nickels and dimes and cobbled it together."

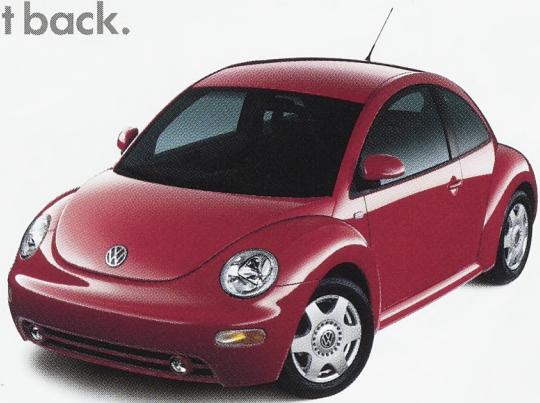
"At first the students came only from the New York area. But that set the stage for a program that was to blossom into what it is today. We have students applying from top universities from all over the country. This year we gave nine scholarships of \$2,000 each. Ours has emerged as the preeminent scholarship program for aspiring foreign correspondents. There ain't no other."

Holstein added, "All b.s. aside, there's something about the brand name of the OPC that enabled it to endure years of wandering in the wilderness in the '70s and '80s. If any institution should have died, it was this one. But somehow it didn't. A lot of different folks helped keep it going, but the overriding truth is, there's a need—a demand—for an institution like this."

Larry Smith is the managing editor of Parade and a former president of the OPC. He has been a member since, he says, "1982 or thereabouts."



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Recollections by Roy Rowan

# The First Crack in the Iron Curtain



**T**en years after the crumbling of the Soviet Union and with it the Warsaw Pact, it is easy to forget the ugly years when a half-dozen tiny countries wriggled under communism's heavy boot. One of the earliest confrontations between the workers' state and the workers themselves broke out in East Berlin in 1953. OPC President Roy Rowan was there for Life magazine.

The streets of East Berlin swarmed with workers who would not work. They wore the uniforms of their trades—masons in white overalls, carpenters in traditional black smocks, day laborers and factory hands in hobnailed boots. In chanting, snaking columns they streamed from all directions on that drizzly afternoon of June 16, 1953. Merging finally into one marching phalanx, they moved on to the headquarters where the communist proconsuls ruled.

**1953: DISSIDENTS IN EAST BERLIN HURL STONES AT A SOVIET TANK**

*In East Berlin,  
an early  
battle between  
the workers  
and the  
workers' state*

"We want free elections! We want more butter! Lower the workers' norms!" they shouted. Then they yelled for party boss Walter Ulbricht to come out.

At that moment three surly, zoot-suited Kripo, as the criminal police were called, sidled up to *Time* correspondent Dennis Fodor and me. One, wearing a checked, mustard-colored sport jacket, flashed a brass badge with an embossed gold star in the center. "Now we go to the police station," he said curtly in German. As the *Life* bureau chief in Germany, I demanded that we be taken to a Russian officer, in accordance with Berlin's four-power agreement. Instead the three plainclothesmen led us to a barbershop and locked the door.

Outside, the protesters continued to stream by. Just six weeks earlier, I had watched a million overalled workers, blue-shirted "Free German Youths" and black-booted People's Army battal-



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ions march smartly together in a well-orchestrated May Day demonstration of communist loyalty. Today they were marching not quite so smartly behind a bright blue banner demanding a lowering of the same production quotas they had so proudly boasted of bettering back then.

Inside the barbershop the Kripo wearing the mustard-colored sport jacket picked up the phone and called police detachment K. "This is Undercommissar Erich," he reported, and then in a long, guttural spiel, he explained how he had caught two "conspiratorial Americans" who refused arrest. "Would Herr Commissar send a police car to the barbershop?" Apparently the Commissar couldn't make up his mind and said he would call back.

During this phone conversation the barber nervously kept on cutting the hair of his lone customer, pretending to ignore the little drama unfolding in his sparsely equipped shop. There were no chairs in the room to sit in. Glowering down from the otherwise bare walls of the shop was a portrait of "Spitzbart" (Pointed Beard), as his subjects called Ulbricht, the goaded East German communist boss.

After an hour's wait, Herr Commissar telephoned back to the barbershop and ordered Undercommissar Erich to take our names and let us go. We jotted them down on a blank page from my notebook, and after each Kripo carefully examined the two signatures, they unlocked the door and set us free. By then, of course, the jeering mobs had either dispersed or moved on to another district.

By dawn the next day, however, the columns of marching workers had multiplied into angry armies. I hurried back to the East sector. Along Stalinallee, the newly constructed apartment complex dedicated in December as a birthday gift to the dying Soviet leader, more than 10,000 workers were yelling in ragged cadence, "Freedom! Freedom! Freedom!"

As the angry mob marched defiantly on past Stalinallee, a cordon of dark green riot trucks suddenly appeared, blocking the street ahead. In front of the trucks stood a wall of Volkspolizei (People's Police), their gray raincoats agleam, their arms locked elbow to elbow. For a moment

I thought the marchers had been stopped cold. But they plunged forward, disregarding the heavy thudding truncheons as they broke through the wall of police, and with a roar the throng poured on down the street.

By midmorning the entire downtown section of Soviet Berlin was black with demonstrators. An odd and almost festive air made it hard to believe that this unheard-of thing was happening. In the eight years since World War II, taciturn, cold-eyed Walter Ulbricht had been striving to remake East Germany in the Soviet image. His motto was "Strict control and complete discipline." Suddenly, on this rain-drenched morning, his mighty effort was coming unstuck.

When the first Russians rolled into sight, in armored cars and infantry trucks, the marchers insolently whistled and jeered. They didn't seem to fear the Russians either. I saw a man perched on a concrete mixer yell to a tall Soviet soldier, "Hello, long one. Your pants are open."

It was almost noon before the first brick smashed a government office window, followed by a cascade of sticks and stones bouncing off Ulbricht's headquarters on Leipzigerstrasse. As the rocks flew, the crowd chanted the forbidden anthem, "Deutschland, Deutschland über alles—über alles in der Welt."

Bent on destruction, the army of demonstrators charged down Leipzigerstrasse to Potsdamer Platz. That open square, where the Soviet, British and U.S. sectors joined, served as a huge picture window in the Iron Curtain for the residents of West Berlin. (Remember, there was no Berlin Wall then.) Before thousands of gawking American spectators, the rioters uprooted communist signs, tore down propaganda billboards and red flags, and set fire to everything that would burn in the rain, including an effigy of Ulbricht. "Down with Spitzbart! Down with the Ulbricht regime!" they yelled.

Young boys raced happily to and fro waving burning flags. I was shooting pictures of these youthful frolickers when a burst of machine-gun fire sent them scurrying panic-stricken over to the Western side of the square.

Suddenly over the din came a new sound—the clatter of metallic treads on the cobble-

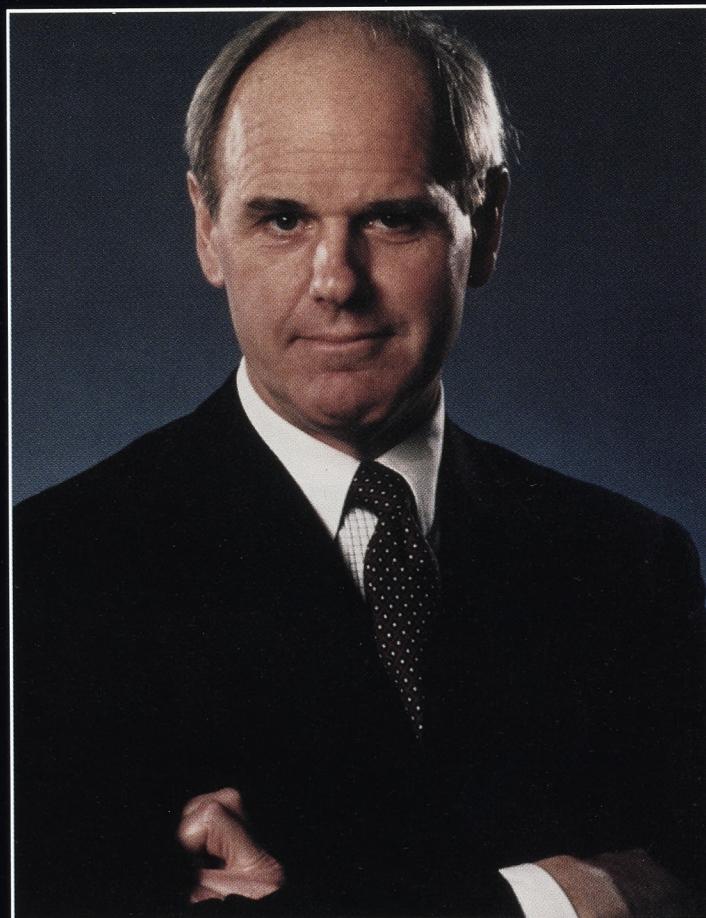


**AN INJURED  
DEMONSTRATOR IS  
AIDED BY WEST  
BERLIN POLICE**

*"Now we go  
to the police  
station," said  
the criminal  
police agent to  
the reporters*

*"The final test of a leader is that  
he leaves behind him in other men the  
conviction and the will to carry on."*

Walter Lippman



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stones. A woman shrieked, "The tanks! The tanks are coming!" With that, I too raced back to the Western side of the square, as a dozen T-34 Soviet tanks lumbered into view, their 86-mm guns ominously traversing the mob. A shower of rocks bounced harmlessly off the tanks' heavy steel armor. I watched two brave young men rush out in front of the rumbling monsters to drag away a wounded friend before he was mashed into the pavement. Another group scooted up to a T-34 and jammed a log into its tracks, crippling the tank with its Russian crew inside.

**F**rom other streets came more tanks, about 200 in all. For a while they wheeled and snarled through the crowds. But the frenzy continued to build until in half a dozen places at once I could hear machine guns chattering. The people dove into doorways or down subway stairwells to dodge the bullets. Not all of them made it. Scores were hit by point-blank fire. I saw one man crushed by a growling tank.

At Potsdamerplatz, sirens wailed as West Berlin ambulances began carting away the wounded who were being carried to the border. At 1 p.m. the East Berlin radio announced the beginning of martial law. Any groups of more than three

*Over the din  
came the  
metallic clatter  
of treads on  
cobblestones.  
A woman cried,  
“The tanks!  
The tanks are  
coming!”*

people caught loitering in the streets would be fired on. The crowds ignored the warning, torching a new office building on Marx-Engelsplatz and pulling down overhead streetcar wires in what became a Fourth of July shower of sparks.

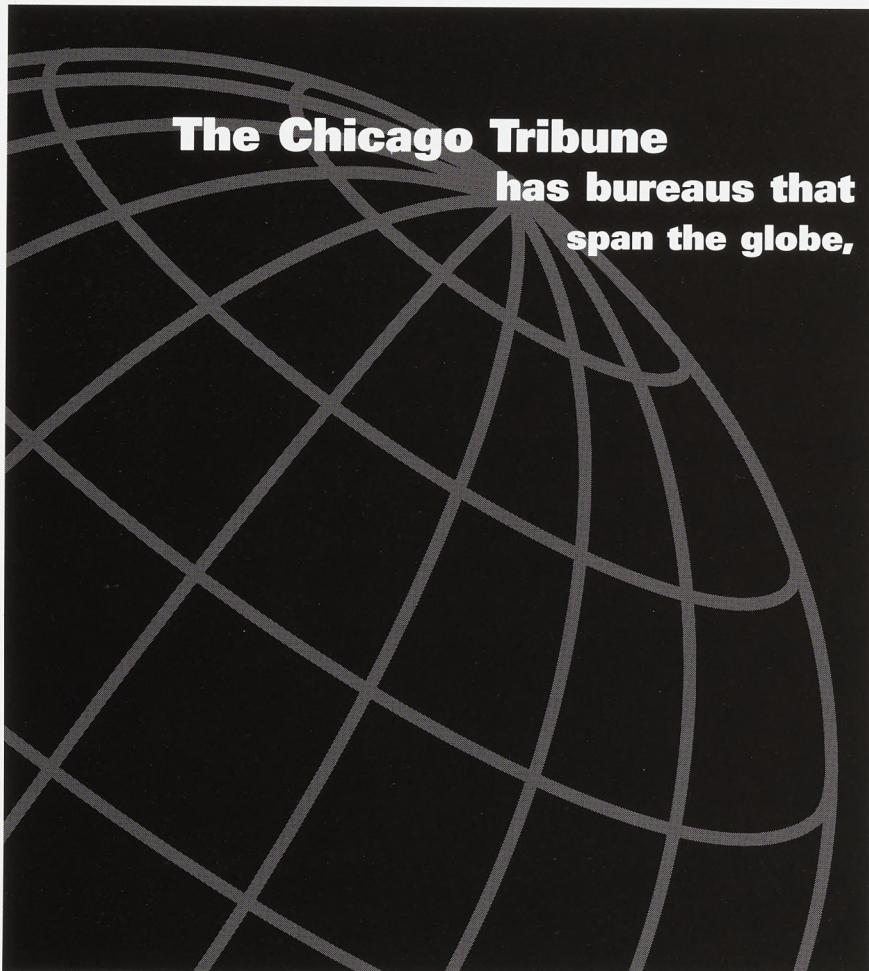
In front of Ulbricht's headquarters on Leipzigerstrasse, thousands of angry workers continued to stand their ground, staring down the cold green muzzles of four tanks. "Come out, come out, wherever you are," they taunted in German, calling for their despised leader.

Just behind Potsdamerplatz in West Berlin, Red Cross women set up an emergency aid station. After each burst of gunfire, another batch of bleeding men—and occasionally a bleeding woman—arrived, needing emergency treatment. But not all of the wounded got as far as the aid station. In spots where a demonstrator had died, crude wooden crosses were already being driven into the asphalt.

More Soviet troops arrived. And so did Volkspolizei reinforcements, until gradually the rebellion just sputtered out in the rain.

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Roy Rowan is president of the Overseas Press Club and a former reporter and writer for Life, Time and Fortune. He has excerpted this article from his book, Powerful People, published by Carroll & Graf.



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# THE NEW EU

Dateline

JANUARY 1, 1999  
HUGE CROWDS GATHER  
IN FRANKFURT TO  
CELEBRATE THE BIRTH  
OF THE EURO

PHOTOGRAPH BY DPA/AP



# EUROPE

*As a rapidly integrating continent prepares for the 21st century, there is reason for trepidation as well as hope*

BY THOMAS SANCTON

**A**fter two world wars, the Holocaust, the Cold War and a succession of bloody civil conflicts, Europeans might well say good riddance to the century that is now ticking off its final months. The 20th century, however, is going out on a high note, as Western European leaders continue to fulfill their postwar goal of forging a union that will make future wars among them unthinkable. First came the Common Market, precursor to the European Union. On January 1 came the most far-reaching move yet: the launch of the E.U.'s single currency, a development that heralds possible dramatic future moves toward military, foreign-policy and political integration.

A New Europe is abuilding before our eyes.

By the middle of the next century, according to the most Euro-optimistic scenario, one can imagine the existence of a federal European state made up of 30 or more members, including most of the West's former Cold War adversaries, boasting a combined territory, population and GDP far greater than those of the U.S. This New Europe would be a modern, dynamic ensemble where national boundaries blur if not entirely disappear; where national cultures and languages exist alongside an evolving pan-European culture; where students, workers, scientists and businessmen move easily from one corner of the vast domain to the other; where a common defense apparatus protects the federal territory and, in conjunction with NATO, carries out peacekeeping operations beyond its borders.

That is the best-case scenario. But the road to that unified Europe is fraught with dangers and pitfalls. The persistence of barbaric ethnic conflicts in the Balkans, that eternal seedbed of European strife, is only the most glaring example. There are also more mundane, but no less significant, challenges: alarm bells over the euro's sluggish start and Europe's jarring economic slowdown; quarrels over redistributing the E.U.'s financial burdens and reining in its profligate agricultural subsidies; sharp debates over institutional reform, enlargement and monetary policy, as well as the pace and extent of European integration. The resignation in March of the entire European Commission, following a scathing report on mismanagement by several of its 20 nonelected members, underscored the need for greater accountability and more democratic control over the Brussels bureaucracy.

Beyond the confines of the E.U., the economic and political implosion of Russia raises worrisome questions about the future stability of this giant neighbor whose thousands of nuclear weapons—not to mention hundreds of decrepit, unsafe atomic power plants—are a chilling reminder of the doomsday scenarios that also hover over Europe's future.

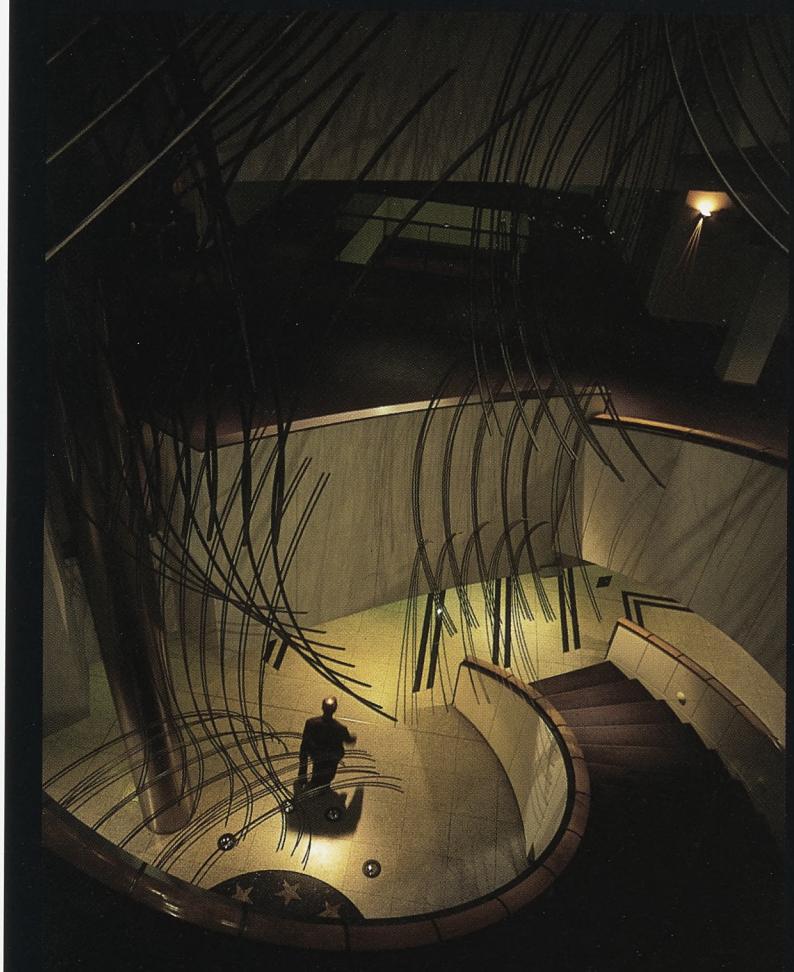
As the New Europe prepares to face the challenges of the coming century, its resolve and resilience are being tested in at least four key areas: monetary union, budgetary reform, defense and the management of regional conflicts.

CLOCKWISE FROM TOP LEFT: PHOTOGRAPHS BY ALEXANDRA BOULAT—SIPA FOR TIME; PASCAL PAVANI—AFP; MEILLE PRESS—SIPA; NINA BERMAN—SIPA



**KOSOVO ETHNIC ALBANIANS SEEKING REFUGE FROM THE BOMBING OF THE VILLAGE OF GJARE BY SERB FORCES IN THE WINTER OF 1998**

**BELGIUM EUROPEAN UNION HEADQUARTERS IN BRUSSELS, WHERE OFFICIALS MUST RESOLVE NETTLESOME INTERNAL CONFLICTS**





**FRANCE** A CARNIVAL-LIKE "24 HOURS OF THE EURO" PARADE AND CELEBRATION IN PARIS ON JAN. 4, 1999, THE CURRENCY'S FIRST BUSINESS DAY

**GERMANY** MINERS CHAIN THEMSELVES TOGETHER IN A BONN PROTEST. ECONOMIC INTEGRATION IS A THREAT TO SOME INDUSTRIES

The birth of the single currency is in itself a remarkable achievement. The 11 founding members of the Economic and Monetary Union all made extraordinary efforts to meet the rigorous criteria of the Maastricht Treaty. In so doing, they not only made the birth of the single currency a reality but also achieved tangible gains for their own economies: low budget deficits, manageable debt, negligible inflation and a common rampart against currency speculators. In that sense, the euro produced significant benefits before it even existed. Now that it's here, euro-zone countries can expect far greater advantages in terms of price transparency and stability, reduction of foreign-exchange risks and the creation of a unified, deep and liquid capital market. In time, the euro could rival the dollar as an international reserve currency.

But the EMU still has to prove itself in fact as well as theory. In spite of widespread fears of an overly strong euro, the currency has been slow out of the starting gate, losing as much as 10% of its value against the dollar in its first two months. What's more, Europe's economies have started feeling the full aftershocks of the Asian and Russian economic crises, in the form of a sharp slowdown. Germany's economy actually contracted in the last quarter of 1998, and average growth projections for the E.U. have been adjusted down to less than 2% for 1999. Meanwhile, average European unemployment is over 10% and rising.

Europeans are divided over how to deal with these problems. Some government officials, led by Germany's recently resigned Finance Minister Oskar Lafontaine, have called for lower interest rates and increased state spending to stimulate consumer demand. The orthodox directors of the European Central Bank in Frankfurt reject such "political" interference in monetary policy and instead call on European governments to fight unemployment with long-overdue structural reforms. Germany at the same time has been leading the call for limits on exchange-rate fluctuations among the dollar, the euro and the yen—an idea the U.S. opposes as unworkable and undesirable.

**T**he euro, in short, is not a panacea for Europe's economic woes, no matter what long-range benefits it promises to bring. Nor has the single currency simplified the biggest immediate challenge facing the larger European Union: budgetary reform. The new German government of Chancellor Gerhard Schröder, which holds the rotating E.U. presidency until June, is committed to laying the groundwork for Agenda 2000. This complex financing package, which will determine the E.U.'s entire budgetary structure from 2000 to 2006, is a prerequisite to admitting up to six new E.U. members in the early years of the next century.

But Schröder insists on getting relief from Germany's heavy contribution to E.U. coffers: Bonn funds nearly 28% of the Union's annual budget of \$93 billion, paying in \$12 billion more than it gets back. The reduction of Germany's largesse will come at the expense of France, which profits most from E.U. agricultural subsidies, as well as Spain, Greece, Portugal and Ireland, which soak up the bulk of the E.U.'s aid to depressed regions. Also on the block is Britain's controversial rebate, negotiated by Margaret Thatcher, which gives the United Kingdom back two-thirds of its annual payment because of the relatively small share the country receives from E.U. agricultural subsidies.





**FRANCE FARMERS, LEFT,  
HERD THEIR SHEEP IN  
THE STREETS OF PARIS TO  
PROTEST A PLANNED  
REDUCTION IN EUROPEAN  
UNION FARM SUBSIDIES**

**NORTHERN IRELAND A GIRL  
TAKES PART IN A FEBRUARY  
1998 COMMEMORATION FOR  
THOSE WHO DIED ON BLOODY  
SUNDAY, A LONDONDERRY  
MASSACRE 26 YEARS BEFORE**

**BRITAIN THE UNVEILING IN FRANBOROUGH OF THE  
EUROPEAN UNION'S NEW \$64 MILLION TYPHOON FIGHTER,  
BEING PRODUCED IN ENGLAND, GERMANY, ITALY AND SPAIN**



These differences were largely papered over at the Berlin summit in March, but spending must still be slashed and conflicting interests resolved before the E.U. can admit new members.

On military matters, Europe's call for its own "defense identity" has yet to take concrete shape. The Europeans are pushing for more autonomy within the Atlantic alliance of NATO, allowing them to intervene militarily in situations where the U.S. declines to act. Precisely how this European defense identity would fit into the structure of the post-Cold War NATO is one of the key issues to be addressed at the alliance's 50th anniversary summit in Washington in April, which will also mark the formal admission of three new members from the east: Poland, Hungary and the Czech Republic.

**O**ne of the tasks of a European defense and foreign-policy structure would be managing regional conflicts, such as the one that has caused such bloodshed and destruction lately in Kosovo. The leading role played by the American team in the ill-fated Rambouillet negotiations between Kosovars and Serbs showed that the Europeans are still not capable of handling such situations on their own. Nonetheless, Europeans stood ready to provide more than 80% of the peacekeeping troops and played a key role in the NATO air strikes that followed Serbia's rejection of the peace accord.

Within the E.U.'s own borders, moreover, two long-running civil conflicts seem headed at last for peaceful and lasting resolution—thanks to the Good Friday agreement in Northern Ireland, and the cease-fire by militant separatists in Spain's Basque country.

Thus, as the New Europe hurtles forward into the 21st century, there are plenty of reasons for hope as well as trepidation. And if one steps back to take a long, historical look at the evolution of the European idea, it is easy to be impressed by how far it has come from its fuzzy beginnings.

Victor Hugo, that lyrical promoter of the United States of Europe, described it in these terms in the late 1860s: "In the 20th century, there will be an extraordinary nation. This nation will be grand, which will not prevent it from being free. It will be illustrious, rich, powerful, peaceful, cordial to the rest of humanity. This nation will have Paris as its capital but will not be called France. It will be called Europe. It will be called Europe in the 20th century, and a century after that, transformed yet again, it will be called Humanity."

We can forgive Hugo for assuming Paris would be the capital. And who can really blame him for being off by a century or so? The remarkable thing is that, every step along the way, the European vision of Victor Hugo and later torch bearers like Jean Monnet has taken on more concrete reality. That process will almost surely continue. The road ahead may not lead all the way to the United States of Europe. But in the New Europe that is taking shape today, we see a promise of the stable, unified and prosperous continent which is the essence of that dream.

*Thomas Sancton has been the Paris bureau chief of Time since 1993, and is co-author of the recent book Dear Jacques, Cher Bill, a study of Franco-American relations under Presidents Chirac and Clinton.*



# Is Europe a Cowardly Lion?

*The continent has made enormous strides toward economic unity.  
Bold political moves are another matter*

By Michael Elliott

**E**urope is a sickly giant. Possessed of enormous political, economic and cultural resources, the old continent nonetheless harbors viruses that have prevented it from taking the place in the world's political and economic system for which it seems destined. Modern Europe is a place of contradictions and surprises—a terrain where almost inconceivable political determination can coexist with a willful refusal to face reality.

Consider events in the winter of 1998-99. On Jan. 1, 11 members of the European Union formed an irrevocable monetary union, binding the relative values of their currencies to each other until, in 2002, national currency units will disappear, to be replaced by the euro. European monetary union is truly epochal, one of the handful of potentially world-changing events since the collapse of Soviet communism. The euro removes the last substantial impediment to the creation of the biggest single market in the world, one within which the factors of production can move freely. By increasing price transparency at a stroke, monetary union provides the greatest spur

to competition—and hence efficiency—that the modern European economies have ever seen. And by creating, in effect, continent-wide capital markets, the new dispensation makes it ever more likely that finance will flow to those European businesses that deserve it.

More than that, monetary union represents the apogee of a style of doing business that has been evident in Europe since the days immediately after World War II. Jean Monnet, Robert Schumann, Alcide de Gasperi and the other founding fathers of the E.U. explicitly adopted a functionalist, "economics first" approach to issues of European integration. Faced with the ashes of Europe's greatest catastrophe ever, they determined to consign murderous rivalries to the past. First came a coal and steel community, so that the nations of Western Europe—France and Germany above all—would find it hard to wage war with each other. Then, with the Treaty of Rome in 1957, came a customs union and common agricultural and competition policies. In 1992 a single market was introduced, and it was "completed" (in Eurojargon) with the introduction of the single currency. At every step of the way, the economies of Western Europe were knit more closely together. By 1999,

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**REFRESHER COURSES  
AVAILABLE IN ANY LANGUAGE.**

Euroland had become a unique territory: a place where formally independent nations had agreed to limit their ability to make their own economic decisions, pooling sovereignty instead in supranational institutions. This had been accomplished with popular acquiescence (if, in some cases, without great enthusiasm) as a consequence of sustained, multinational political leadership. It is a triumphant achievement.

But contrast the confidence the E.U. showed this winter in building an integrated economy with its reaction to the challenge posted by Abdullah Ocalan, leader of the Kurdish Workers Party (P.K.K.), a violent group that has been waging a dirty war for autonomy in eastern Turkey. In November, Ocalan, who was wanted for terrorist offenses in Turkey and had been expelled from Syria, was detained in Italy—only to claim asylum on political grounds. Both the Italians and Germans made it plain that they did not want him on their territory; the Greeks actually assisted his escape to Kenya. Then when, in February, Ocalan was abducted in Nairobi by Turkish commandos and taken back to Turkey, Western Europe seemed stunned by the coordinated riots in cities across the continent, complete with deaths in Berlin and self-immolation in Athens and London.

In the Ocalan affair, some of the key elements of sickly Europe were present: an aching desire to avoid trouble; a lack of preparedness in the face of passionate, "nonnational" belief. Above all, perhaps, the Ocalan affair showed that Western Europe was alternately fearful and ignorant of "the other"—suspicious of its neighbor Turkey, while harboring a romantic view of the P.K.K.'s struggle that was quite at variance with the vicious habits of that organization and its leader. The same ignorance, the same desire to hope that nasty business will go away, was evident in the attitude of Western Europe to the wars of Yugoslav succession from 1991–95, which, for all the E.U. nations did to stop them, might have been taking place in Central America rather than in Central Europe.

There may be a thread to link leadership and confidence in the economic sphere with the opposite in political matters, especially when they turn violent. For the generations of Western Europeans who grew up after 1945, "Europe" meant the places where they lived—the area west of the Iron Curtain. Within that blessed plot, protected by an American military umbrella, Western Europeans could put away the horrors and ideologies that had plagued them in the past and concentrate on building prosperity. This they did to great success, along the way stripping politics of its ideological and irrational components and finding, in the process, a pleasing and quiet normalcy.

That world was turned upside down in 1989. In the 10 years since the Berlin Wall came down, it has become clear how little prepared were the countries of Western Europe for the new reality—for a Europe that did not begin and end at the borders of communist rule, and for a Europe where national and ethnic passions continued to motivate people. For example, this spring Poland, Hungary and the Czech Republic are being for-

mally admitted into one of the great "European" institutions. The E.U.? No, membership in that club lies some way in the future. It is NATO—whose leadership is American and whose priorities are set in Washington—that will extend a welcoming hand to the democracies of Central Europe. It is NATO (if anything) that provides the muscle behind diplomacy in the Balkans; it is, for that matter, in NATO that Turkey and the Europeans can find some common ground.

This unwillingness to take on new responsibilities is an indictment of the E.U. The point here is not simply that the New Europe can be politically immature—as it was when the whole commission in Brussels was forced to resign in March. Indeed, Western Europe can seem remarkably smug and inward-looking—one complaint of an American administration fed up with having to bear the greater part of the burden of the Asian financial crisis. During the Cold War, West Europeans' self-centeredness was understandable, if morally questionable. (The price for the postwar creation of prosperity in Western Europe was paid by two generations in the East.) Since 1989 the absence of political (as opposed to economic) leadership in the E.U. has bordered on the reckless. As both the Ocalan affair and the Balkan wars have shown, the rich countries of Western Europe live in a dangerous neighborhood, one fringed—in North Africa, the Middle East, the Balkans and the Great Russian borderlands—with nations that have not yet made

the transition to modern politics and economics. The rich countries of the E.U. need to demonstrate some convincing and sustained way in which they will forge relationships with this dangerous littoral; so far, they have signally failed to do so.

Nor is it only outside the borders of the E.U. that the world has become more mixed up and messy. Western Europe is not now (it may never have been) white and Christian. On the contrary, it is an ethnically and racially diverse polity, in which religious fervor is the prerogative of non-Christians (especially Muslims) rather than of those who are nominally members of the "European" churches. Yet if one looks at the lily-white membership of the institutions of the E.U.—and examines, for example, the difficulty the new German government has had in implementing quite modest changes to its nationality laws—one senses little awareness of the way the world has changed.

There is hope. On a far from trivial level, the New Europe was triumphantly epitomized by the French team that won the soccer World Cup last year, a polyglot collection less of the *bleu, blanc, rouge* than of the *beurs, blances, noirs*. But outside sport and culture, modern Europe's leaders have not grasped how challenging is the external environment they inhabit, and how diverse Europe's internal social arrangements have become. Until Europe is able to handle that challenge and diversity with the same confidence it brings to economic affairs, its promise will remain unfulfilled.

*Michael Elliott is the editor of Newsweek International.*



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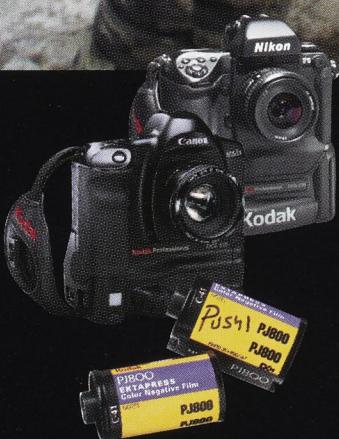
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11 NATIONS, 1 CURE



# CURRENCY

*The reforms that preceded the creation of Euroland required a kind of collective willpower of which few thought the E.U. capable*

By Joan Warner

The Old World has been moving toward integration ever since 1946, when war-weary Winston Churchill called for a "United States of Europe" to end centuries of military strife. From the European Steel and Coal Community a few years later to today's European Union, treaty after treaty has brought the continent's formerly hostile countries into closer intimacy. Now 11 European nations are entering the next millennium bound together by a common currency. In sacrificing the sovereign power to control their own money, they will create a potent bloc that may soon rival the U.S. in global influence.

Already Europe has remade itself so radically in preparing for the euro—as the single currency is called—that many government leaders are heralding the "Decade of Europe." To qualify for founding membership in the euro club, Europe's core nations have wrestled inflation below 3%, trimmed fat national budgets and started dismantling the cartels and rules that strangled economic growth. The result is a continent that looks increasingly like the U.S. and is changing geopolitical thinking. "When we talk about globalization, we used to mean the emerging markets," says Lowell Bryan, a member of the global leadership group at consulting firm McKinsey & Co. "Now we mean integration between Europe and America."

To make the euro a reality, a dogged will to create a more economically competitive Europe triumphed over national interests. Nothing like Europe's Economic and Monetary Union has ever been tried before. As it transforms its 11 members into a single financial entity, the EMU is challenging the values reflected in Europe's social democracies. The road to cooperation and prosperity that the euro's creators envisioned will be potholed with risks.

For journalists, the currency experiment infuses with excitement a region of the world that for years was considered hopeless. While the U.S. and Britain rewrote their economic rules to meet the Japanese challenge during the

**Half  
a century  
later, something  
akin to Churchill's  
vision of a "United  
States of Europe"  
is at last taking  
shape**



**SHIRTSLEEVED EURO TRADING COMES NATURALLY AT THE FRENCH BOURSE**

1980s, the Continent languished in Euro-sclerosis, clinging to time-honored regulations and labor laws. And in the 1990s Europe was eclipsed by emerging-market fever, which led many observers to predict an Asian Century ahead. America's apparently inexhaustible economic expansion has also distracted attention from the Old World.

As it turns out, behind the E.U.'s numbing bureaucracy in Brussels, political leaders and corporate chieftains were writing blueprints for monetary union. Cynics had a field day. Accustomed to a glacial pace of change in Europe, they predicted that intercountry bickering and economic hardship would scuttle the plan. Especially in the U.S., pundits doubted that Germans could be persuaded to meld their rock-solid deutsche marks with the volatile lire, pesetas and escudos of the so-called Club Med countries.

Yet at 12:00 a.m. on this past New Year's Day, the euro made a successful debut in 11 nations—Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain. (Britain, Sweden and Den-

mark chose to wait. Greece did not qualify.) Although European consumers won't have to turn in their francs and guilders until July 1, 2002, those currencies are mere denominations of the euro. Many investment portfolios and bank accounts are denominated in euros. Manufacturers are already paying suppliers and invoicing customers in the new currency. And retailers have begun to grapple with the nightmare of repricing their wares in

**If Europe can slash the taxes and regulations that bind, it will create a spirited community of wealth**

euros without cheating either shoppers or themselves. Few companies or individuals on the continent will remain unaffected by the new currency for long. "Euroland is a new country," says Martin Hufner, chief economist at HypoVereinsbank in Munich.

These changes make the New Europe story one of the world's most compelling—and most difficult. Never before has a group of governments ceded control of their monetary policy to a single, stateless authority. How will the European Central Bank, based in Frankfurt, set one interest rate for 11 nations, each with its own growth, inflation and unemployment rates? When will politicians faithful to national and partisan agendas begin to

think of Europe as a borderless entity? How can French companies market their products and services to the Irish? Perhaps most interesting, will the average European voter, worker and taxpayer ever be able to think of neighboring nations, in many cases erstwhile aggressors, as members of the same club?

The euro raises tantalizing questions even for journalists far from Europe. Of course, the issue of how much the new currency should be worth is critical for bankers, manufacturers and consumers worldwide. The euro fell more than 6% in value against the U.S. dollar in the two months after its birth—from \$1.17 on Jan. 1 to \$1.08 on March 9—partly in tandem with a weakening Japanese yen, but partly because of global investors' fears that Europe is on the brink of recession. The good news is that a weak euro is a boon to European exporters, whose goods have become more affordable abroad. But it puts the untried European Central Bank in a bind, since lowering interest rates to stimulate growth would only push the fledgling currency's value further down.

That threatens to undermine the EMU's credibility. Logically the euro should be strong—indeed, it should eventually rival the U.S. dollar as a global reserve currency. After all, the euro

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zone accounts for \$6.5 trillion worth of the world's gross national product—very close to America's share. And just as European governments have improved their fiscal health to qualify for membership in the EMU, continental companies have cut costs and speeded up investment in high technology. The object of all this effort was to forge a currency as stable and strong as the German mark, but with even greater global appeal. Over the next five years, the euro's value and status will be a bellwether for Europe's clout.

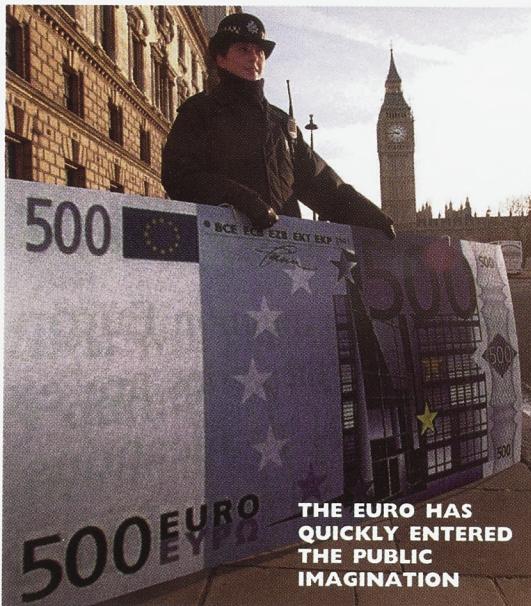
So far, the EMU has garnered some impressive votes of confidence. U.S. automaker Chrysler has merged with Germany's Daimler—with Daimler management in charge, no less. Bankers Trust has agreed to be acquired by Deutsche Bank. Why? Europe has made so much progress toward efficient, Anglo-Saxon style capitalism that a transatlantic car company has a good chance of dominating when the world's emerging markets

are ready to start buying again. Moreover, managers on both sides of the ocean increasingly are reading from the same script when it comes to striving for global leadership. "Siemens can't behave very differently from General Electric,

and Deutsche Bank must behave like U.S. banks," says Ralf Schreyer, portfolio manager at German fund group DWS in Frankfurt.

Such alliances, however, represent an expensive gamble. With Japan, Southeast Asia and Latin America in the doldrums, the U.S. is counting on Europe to serve as an economic ally, almost as a mirror of American business values. More and more European executives make speeches about keeping shareholders happy, a relatively new goal on that continent. But European commerce still stands apart. German retailers can legally hold sales only once a year. A stringent schedule governs store hours. France's workers may put in no more than 35 hours a week, productivity be damned.

Most fundamental, governments from Sweden to Italy, regardless of party, retain beliefs about distribution of wealth that Britain and the U.S. never held. For a half-century, Europeans have maintained that basic income, health care and education are a right, not a privilege, in a civilized economy. Will



PHOTOGRAPH BY DANIELLE SMITH—AP

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**BY THE SUMMER OF 2002, EUROPEANS MUST GIVE UP NATIONAL CURRENCIES IN FAVOR OF BILLS LIKE THESE**

the euro and the competition it spurs ultimately force Europe to abandon its postwar vision of social democracy?

This is probably the most intriguing question in the story of the New Europe.

For monetary union to fulfill its promise of a more dynamic continent, Europe has more work to do. High taxes and byzantine regulations still make doing business onerous in Germany and France. Ideally, these core countries will follow the feisty examples of smaller Ireland and Holland, which have boosted growth and employment by slashing taxes and relaxing labor laws. If that happens, Europe could join the U.S. as an engine of global prosperity. Given more economic flexibility, the gigantic pool of

capital created by combining 11 financial markets could power growth that would leave emerging nations in the dust for years to come.

In fact, since finance is the natural starting point for most euro-related changes, the upheavals in Europe's capital markets have already begun. Once-timid investors are, for the first time, putting their savings outside their home countries and buying stocks as well as supersafe government bonds. Companies are suddenly turning from bank loans to equity and debt issues to raise money. And banks, of course, are starting to make a bundle catering to these trends. "We see the euro as a catalyst for a totally new approach to investing," declares

Bernd von Malzan, chief of Deutsche Bank's private banking division.

It may be many decades before the Old World takes the final step, joining politically in a United States of Europe. As the integrating process continues, the continent that journalists have always known—with the idiosyncratic quirks and charms that make an Italian street so instantly distinguishable from a German one—may fade. But as Europe forges its future over the next several years, the thrill of the new should more than offset nostalgia for its sleepy former ways.

*Joan Warner, Senior News Editor at Business Week, covered the run-up to the EMU from Frankfurt in 1998.*

PHOTOGRAPH BY ENI-SIPA

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# The Overseas Press Club of America ANNUAL AWARDS



*James Nachtwey recorded a brutal clash in Indonesia that ended in death*

By William J. Holstein and Linda Fasulo, Awards Co-Chairs

WHO SAID FOREIGN NEWS REPORTING IS A DYING CRAFT? Judging from this year's awards competition, a robust cross-section of American news organizations are covering a great range of international issues.

The OPC received a record 451 award entries, up from last year's 374, a 20% increase. The competition was fierce. Many of our judging panels deliberated right down to the final deadline—and beyond. In more than a third of the award categories, judges decided to grant two citations, not just one, which is testimony to the extremely high caliber of entries.

This year there was no single story that dominated the competition. Yes, there were awards for covering disasters such as Hurricane Mitch and for chronicling conflicts in Iraq, Rwanda, Somalia and the Balkans. But news organizations also won for diagnosing Indonesia's economic crisis and the woes of Asia's middle class, which was caught short by the region's sudden

financial shock. There were award-winning accounts of the exploitation of Russian girls, Romanian orphans and Latin-American immigrants, as well as stories of the persecution of Christians around the world.

Rounding out a highly eclectic field were winning entries on the export of French fries from the Pacific Northwest, battles over water in the Middle East and the pursuit of art stolen by the Nazis.

Our thanks go to the judges (see page 60), who are the unsung heroes of the OPC judging process. To create a system in which professionals are truly judged

by other professionals, the club turns to journalists who volunteer countless hours and sweat out tough decisions. Our gratitude also to the sponsors who provide the financial underpinnings. The end result is that the OPC is able to encourage and recognize the correspondents, editors and producers who are committed to the highest standards of international journalism.

*An eclectic year:  
Asian turmoil, a  
killer hurricane,  
boys of Bucharest,  
French fries*

## 1. The Hal Boyle Award

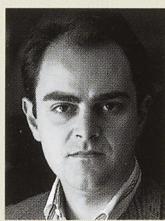
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**KEN GUGGENHEIM  
NIKO PRICE**

*Associated Press  
"Hurricane Mitch"*

This was an extraordinary series of 60 reports on Hurricane Mitch, which killed more than 9,000 Central Americans last August. As the storm pounded Nicaragua and Honduras, AP correspondents Niko Price and Ken Guggenheim led a team of 18 writers and photographers to remote villages buried under mud slides and flooding rivers.

They chronicled the relief efforts for four weeks, trudging for hours through thigh-deep mud. "Each step requires a Herculean effort to extricate a waterlogged leg from the muck, then the horror of squishing it down in again and praying it doesn't fall on one of the hundreds of bodies buried beneath," wrote Price. Bodies decayed in the sun, breeding disease and further misery. With their graphic descriptions and tightly focused analysis, the authors showed that disaster coverage need never sound familiar or routine.



GUGGENHEIM PRICE

**CITATIONS:** Peter Waldman, Marcus W. Brauchli, Jay Solomon

*The Wall Street Journal  
"Indonesia: Collapse of a Nation"  
David Hoffman  
The Washington Post  
"Russia: Legacy of the Cold War"*

## 2. The Bob Considine Award

*Best newspaper or wire service interpretation of foreign affairs*

**BARTON GELLMAN**

*The Washington Post*

"Shell Games: Washington, Baghdad and the Hunt for Iraq's Forbidden Weapons"

Throughout Saddam Hussein's brinksmanship with the United Nations, the Washington Post's Barton Gellman was able to get behind the scenes and provide uncanny insights into the strategies of each of the players. Gellman's reports not only read with the suspense of a John Le Carre novel; they managed to render a complex situation comprehensible to the layman. Gellman's reporting, his cultivation of sources, his persistence in tracking down leads and his clear-sighted analysis provide an example of journalism at its best.



**CITATIONS:** Tracy Wilkinson

*Los Angeles Times  
"The Balkans"*

**Carla Anne Robbins**  
*The Wall Street Journal*

"Dangerous Diversions: Nuclear Proliferation and Arms Control"

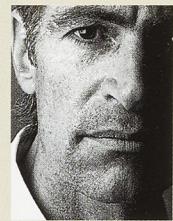
## 3. The Robert Capa Gold Medal

*Best published photographic reporting from abroad requiring exceptional courage and enterprise*

**JAMES NACHTWEY**

*Magnum for Time  
"Indonesia: Descent into Madness"*

Since the fall of Suharto, Indonesia has been slipping into chaos, its political and social order crumbling. When religious and ethnic tensions erupted in November 1998, an angry Muslim mob in Jakarta killed 13 Christians in two days. James Nachtwey waded into the mob to record the killing. At one point Nachtwey begged an attacker about to slash someone's throat to stop and, surprisingly, he relented. The crowd turned on Nachtwey, but did not strike. The photographer's chilling images show us the cost of rage and hatred. We want to turn away, but we are compelled to look.



## 4. The Olivier Rebbot Award

*Best photographic reporting from abroad in magazines and books*

**ETTORE MALANCA**

*Sipa Press/The New York Times Magazine  
"Romania's Lost Boys"*



Ettore Malanca captured the plight of the homeless boys of Bucharest in a series of gripping images of their squalid life in and around North Station. Most were runaways from violence or poverty at home or from state-run institutions that survived the collapse of communism. When they viewed the gritty black-and-white photographs, the judges said, they felt as if they were on the street with the boys.

## 5. The John Faber Award

*Best photographic reporting from abroad in newspapers and wire services*

**ERIC MENCHER**

*The Philadelphia Inquirer  
"Rwanda: Aftermath of Genocide"*



The spectacle of half a million people being massacred has forever stained the lives of every man, woman and child of Rwanda. But the killing hasn't stopped. Thousands of Rwandans still nurse ethnic hatreds, resulting in new slaughters of innocents somewhere in Rwanda every week. To capture that reality, Eric Mencher focused on images of people's lives: children left parentless, the criminal justice system in chaos and the daily struggle to live with the memory of horror.

**CITATION:** Brennan Linsley

*Associated Press  
"Starvation in Sudan"*

## 6. The Lowell Thomas Award

Best radio news or interpretation of foreign affairs

**SANDY TOLAN**

*Homelands Productions for Fresh Air*

"The Lemon Tree"



One one level, "The Lemon Tree" tells the emotionally engaging story of how two families—one Jewish, one Palestinian—are brought together by circumstance, confront their conflicts and eventually grow beyond them. But at the same time, the story portrays larger complexities in Israel and the Middle East, demonstrating them in human terms. Sandy Tolan offered a balanced view of these complexities, while keeping the listener eager to hear more.

**CITATIONS:** Mike Shuster, Eric Weiner, Peter Breslow, Jeff Rogers, Loren Jenkins

National Public Radio

"Israel at 50"

**Amy Goodman and Jeremy Scahill**

Pacifica Radio

"Drilling and Killing:

Chevron and Nigeria's Oil Dictatorship"

## 7. The David Kaplan Award

Best TV spot news reporting from abroad

**THE CNN TEAM**

"Strikes Against Iraq and the Impeachment Hearings"

This was a crowning achievement for a news organization. CNN offered just the right mix of commentary from seasoned correspondents and on-the-scene reporting during four days of U.S. bombing of Iraq and the impeachment proceedings in Washington. With major stories on two fronts, CNN covered every conceivable element of those remarkable events. The list of contributors consisted of 11 single-column pages.

**CITATIONS:** John Miller, Sheila MacVicar,

John McWethy

ABC World News Tonight with Peter Jennings

"Embassy Bombings"

**Allen Pizzey, Jos Mason,**

**Massimo Mariani, Massimo Casseriani**

CBS News

"Kosovo"

## 8. The Edward R. Murrow Award

Best TV interpretation or documentary on foreign affairs

**WILLIAM CRAN, STEPHANIE TEPPER, DAVID FANNING, MICHAEL SULLIVAN**

*Frontline/WGBH Boston and InVision Productions*  
"Ambush in Mogadishu"



CRAN



TEPPER



FANNING



SULLIVAN

The producers were able to combine interviews with G.I.s who were trapped in Mogadishu and material from the Somalis who were attacking them, to create a gripping account of that nightmare, which culminated in the spectacle of the body of an American soldier being dragged through the streets. The documentary was rich and multidimensional, offering insights into cultural misunderstandings and U.S. policy confusion that contributed to the disaster.

**CITATION:** Jeremy Isaacs Productions for CNN Productions

"Cold War" series

## 9. The Ed Cunningham Memorial Award

Best magazine reporting from abroad

**MARK DANNER**

*The New York Review of Books*

"Yugoslav Wars"



Mark Danner's nine-part series for *The New York Review of Books* on the war in Yugoslavia provided an insightful and compelling look at how the conflict unfolded and why the U.S. and its allies have largely failed to develop a coherent response. Combining his own enterprising reporting with solid research, Danner produced a comprehensive, well-written analysis of the largely misunderstood conflict, which has repeatedly exploded into full-fledged war.

**CITATION:** Paul Klebnikov

*Forbes Global*

"Who Will Rule Russia?"



The Robert Capa Gold Medal

## JAMES NACHTWEY

WHEN MUSLIMS IN A JAKARTA NEIGHBORHOOD AWOKE ON NOVEMBER 22 TO FIND THEIR MOSQUE DAMAGED, THEY REACTED BY ATTACKING THE CHRISTIAN SECURITY GUARDS OF A NEARBY GAMBLING PARLOR. THIS WAS BUT ONE OF MANY VIOLENT OUTBREAKS IN A COUNTRY WHERE LAW AND ORDER HAD BROKEN DOWN. ABOVE, ONE MAN IS CHASED DOWN AN ALLEY BY A YOUTHFUL MOB WIELDING BAMBOO STAVES, METAL SPIKES AND MACHETES. THE DAMAGE TO THE MOSQUE? A BROKEN WINDOW.





## Dateline Awards



AS JAMES NACHTWEY PHOTOGRAPHED THE BLOODLETTING, HE ATTEMPTED TO INTERVENE, BUT THE VIOLENCE HAD TAKEN THE CROWD BEYOND REASON OR SHAME. NACHTWEY'S RECORD OF THE EVENTS HORRIFIED THE WORLD.



THIRTEEN MEN DIED IN THE RIOTING. HERE A VICTIM'S THROAT IS ABOUT TO BE SLASHED. WHEN NACHTWEY PLEADED FOR THE KILLER TO STOP, HE STAYED HIS HAND, BUT THE MAN STILL DIED OF HIS WOUNDS.



The Olivier Rebot Award

**ETTORE MALANCA**

IN THEIR MAKESHIFT HOME IN BUCHAREST'S NORTH STATION, THESE BOYS ARE AS UNINHIBITED AND PLAYFUL AS CHILDREN ANYWHERE. THE ANTICS OF THE SKINNY MUSCLEMAN ABOVE ELICIT SMILES FROM PASSERSBY, BUT NO FOOD OR MONEY. ONLY BOYS LIVE IN THE STATION, MALANCA LEARNED, BECAUSE GIRLS ARE QUICKLY SWEPT INTO PROSTITUTION.

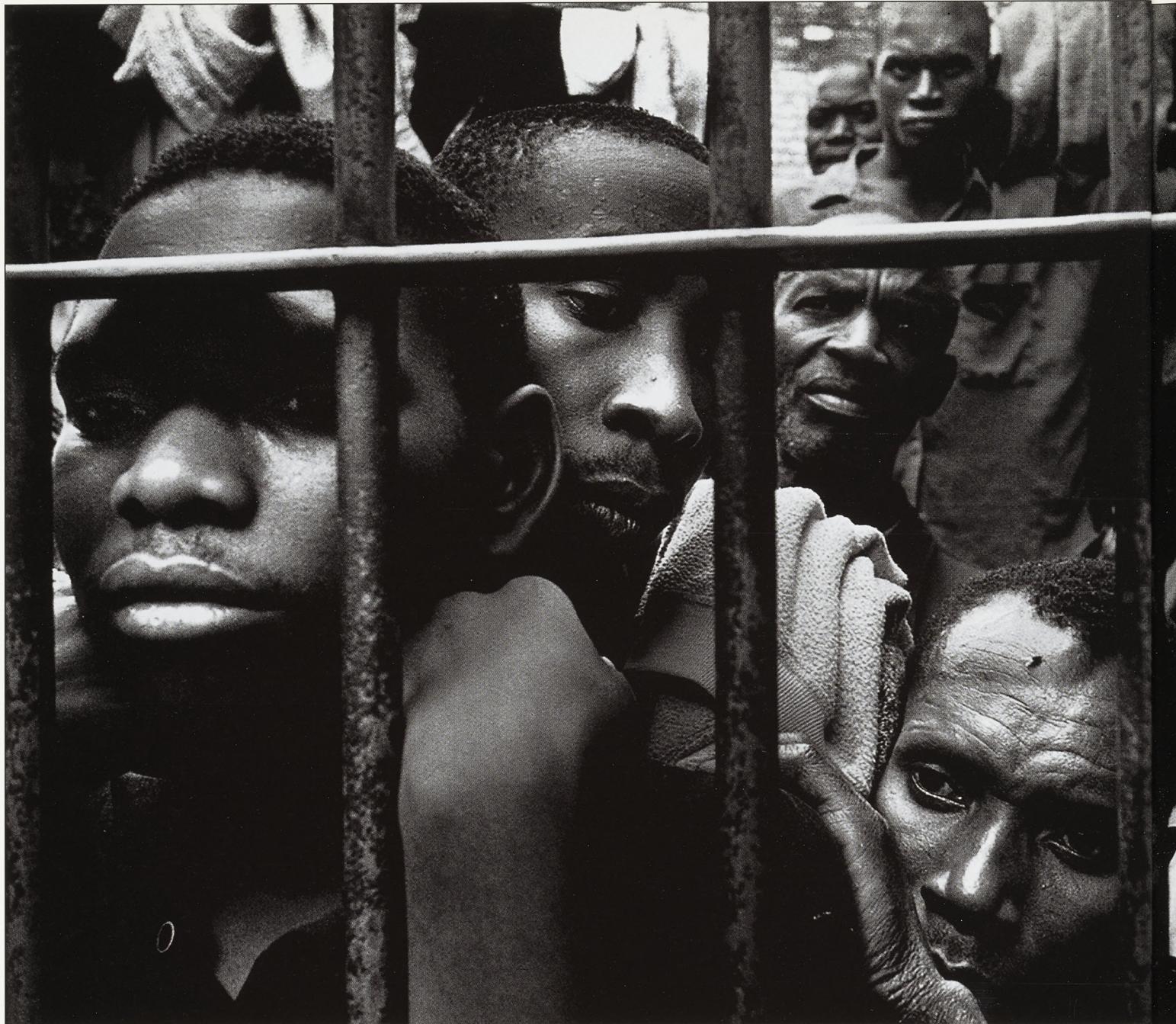




THE CHILDREN ARE NOT ORGANIZED ENOUGH TO FORM GANGS, AND MUST OFTEN DEPEND UPON SOCIAL WORKERS FOR FOOD AND MEDICAL AID. TO WARD OFF THE COLD OF THE NIGHT, SEVERAL CHILDREN HUDDLE TOGETHER ON EMPTY BAGGAGE CARTS

AT LEFT, A BOY NAMED MARIUS PANTOMIMES A TELEPHONE CALL, PLAYING GROWNUP. MARIUS IS 10, AND ALREADY HE, LIKE MANY, IS A CONFIRMED SMOKER. MOST OF NORTH STATION'S RUNAWAYS SUFFER FROM LUNG INFECTIONS, BODY SORES AND MALNUTRITION.





**The John Faber Award**

**ERIC MENCHER**

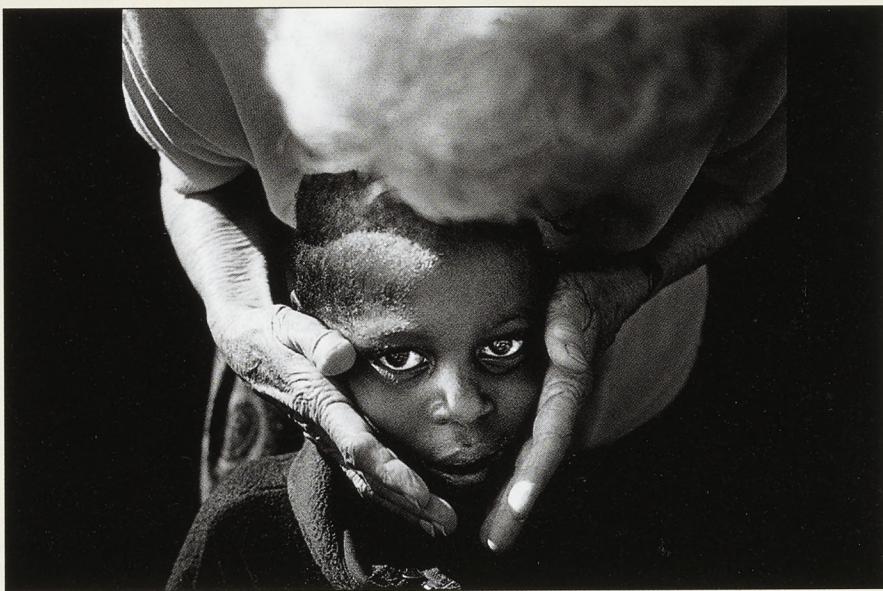
Rwandan prisoners watch from behind cell bars as government officials try to extract confessions of genocide from suspects.

At right, a violent thunderstorm in western Rwanda echoes the unease of people who still live with the threat of daily ethnic attacks. Rwanda today is a chaotic wasteland, a country in shambles, its people locked in a prison of pain.





VICTIMS OF THE GENOCIDE LIE WHERE THEY FELL IN A SCHOOLHOUSE OUTSIDE MWULIRE. LOCAL AUTHORITIES OFTEN HAVE LEFT SUCH SITES AS THEY WERE FOUND, TO SERVE AS A MEMORIAL TO THE HORROR.



ROSAMOND CARR, 85, HAS LIVED IN AFRICA FOR ALMOST FIFTY YEARS. SHE NOW OPERATES AN ORPHANAGE FOR THE CHILDREN SAVAGED BY THE 1994 GENOCIDE. ABOVE, SHE LOVINGLY CARESSES THE FACE OF AN ORPHAN.

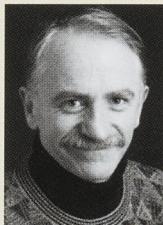
## 10. The Thomas Nast Award

*Best cartoons on foreign affairs*

**KEVIN KALLAUGHER**

*The Baltimore Sun*

Kallaugher is able to reduce the world's absurdities and outrages to a few sharp images. He skewers the disconnect between foreign leaders who see a U.S. searching for global dominion and an insular American public more concerned with finding the TV's remote control. In Kallaugher's fertile imagination, Serb leader Slobodan Milosevic becomes an octopus who uses a free tentacle to snatch Kosovo while tangling the U.S. and Europe up in Bosnia with another. In another cartoon, President Clinton, in trying to explain his decision to bomb Iraq, finally adopts the Nike slogan, "Just do it!" Kallaugher takes the ironies of the times far beyond their logical extremes to hilarious effect.



**CITATIONS:** John Trever

*Albuquerque Journal*

Chan Lowe

*Sun-Sentinel*, South Florida

## 11. The Morton Frank Award

*Best business reporting from abroad in magazines*

**MICHAEL SHARI, JOYCE BARNATHAN,  
PETE ENGARDIO, DEAN FOUST,  
JONATHAN MOORE, SHERI PRASSO,  
CHRISTOPHER POWER**

*Business Week*

"Indonesia in Turmoil"

This package of articles offered outstanding reporting on the many things that went wrong in Indonesia as the Asian financial crisis struck home. In the first article, the *Business Week* team wove closeup reporting into a textured analysis of the unfolding crisis, including an account of why the International Monetary Fund blundered. A second article featured richly detailed reporting on Indonesia's merchant class, the ethnic Chinese—and why they were singled out for persecution. Lastly the magazine offered an enterprising investigative report on atrocities at a vast liquid natural gas facility in Aceh province, partially owned by Mobil Oil Corp. The article showed how overseas investors who took part in President Suharto's crony capitalism had become complicit in the regime's human rights abuses.

**CITATIONS:** Brian Bremner, Irene Kunii,

Robert Neff, Emily Thornton

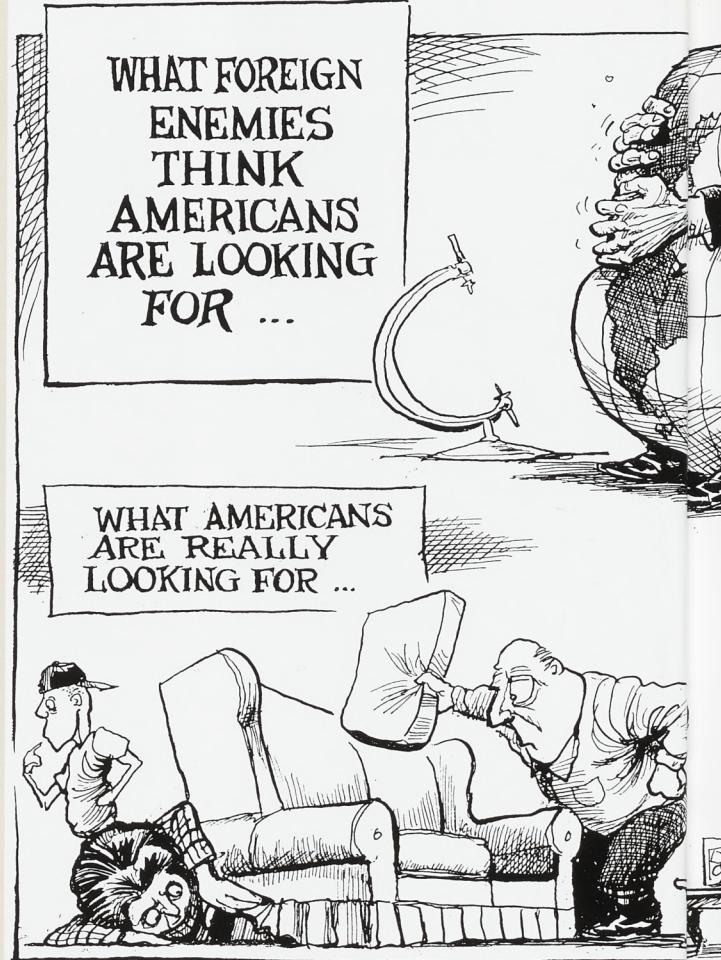
*Business Week*

"Japan's Financial Meltdown"

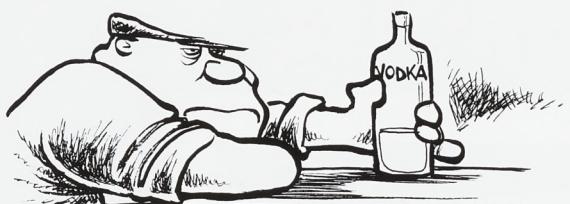
David E. Kaplan

*U.S. News & World Report*

"Yakuza"



### RUSSIA UNDER THE CZARS

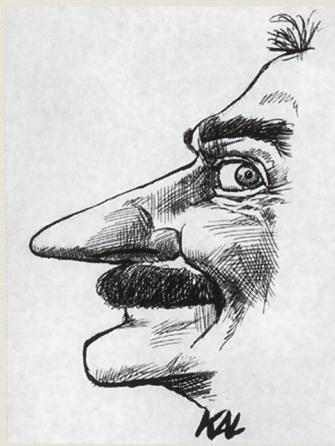


### RUSSIA UNDER COMMUNISM



### RUSSIA UNDER DEMOCRACY

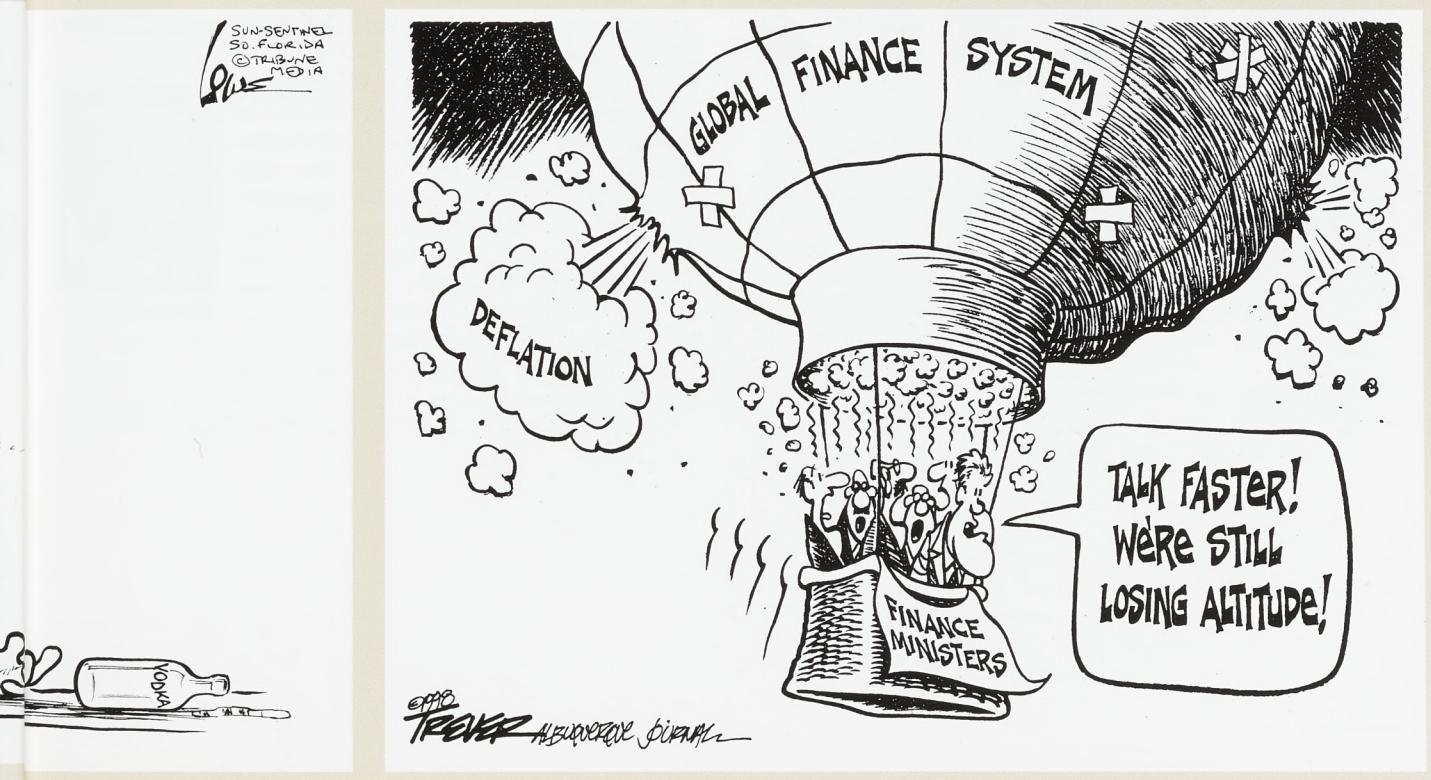




*self portrait by  
Kevin Kallaughher*



*cartoons top left and right by Kevin Kallaughher,  
bottom left by Chan Lowe, bottom right by John Trever*



## 12. The Malcolm Forbes Award

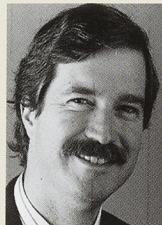
*Best business reporting from abroad  
in newspapers or wire services*

**RICHARD READ**

*The Oregonian*

"The French Fry Connection"

This extraordinarily creative four-day series by Richard Read gave readers a new grasp of the globalization of their economy in a colorful and innovative tale about how a major Northwest U.S. export—french fries—can be viewed as a leading indicator of economic troubles in Asia.



**CITATION:** Andrew Cassel and Susan Warner  
with files from *Inquirer international reporters*  
*The Philadelphia Inquirer*  
"A Day in the Life of Global Markets"

## 13. The Carl Spielvogel Award

*Best business reporting from abroad in the broadcast media*

**BRENDA BRESLAUER AND BRIAN ROSS**

*ABC News*

"Nazi Stolen Art"

This was a fascinating tale, told in lively fashion, about the secret world of international art collecting. Breslauer and Ross amassed substantial and convincing evidence and portrayed characters vividly. Their pieces raised many knotty questions about the disposition of art objects caught up in the dislocations of World War II. The thoughtful, engaging reporting was matched by production that was superb.



BRESLAUER



ROSS

**CITATION:** Business Unusual  
*CNN Financial News*  
"The New Europe"

## 14. The Cornelius Ryan Award

*Best nonfiction book on foreign affairs*

**PHILIP GOUREVITCH**

*We Wish to Inform You That Tomorrow We Will Be Killed with Our Families: Stories from Rwanda* (Farrar, Straus and Giroux)



Within the space of 100 days in 1994, 800,000 Tutsis were murdered by the Hutu majority of Rwanda. Philip Gourevitch traveled to the killing fields to report on the Hutu government policy of genocide that turned Rwanda into hell on earth. His account is unflinching, courageous and penetrating in its questions about moral responsibility and what will happen next, as the Hutu terror campaign continues.

**CITATION:** Roger Cohen

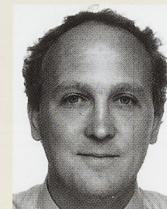
*Hearts Grown Brutal: Sagas of Sarajevo*  
(Random House)

## 15. The Madeline Dane Ross Award

*Best foreign reporting in any medium showing a concern for the human condition*

**KEVIN SULLIVAN,  
MARY JORDAN,  
KEITH RICHBURG**

*The Washington Post*  
"Shattered Lives: The Asian Middle Class"



SULLIVAN

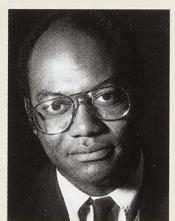


JORDAN

The authors provided insightful, well-researched and thoroughly documented reporting in vivid, exceptionally well-written stories. As a whole, their work humanized the fragility of the middle class in Asia as an economic crisis slammed the region, dashing many people's hopes of better lives.

**CITATION:** Carl Honoré

*Houston Chronicle*  
"Fortress Europe"



RICHBURG

## 16. The Eric and Amy Burger Award

*Best foreign reporting in the broadcast media dealing with human rights*

**CYNTHIA MCFADDEN AND BETH OSISEK**

ABC News:  
*Primetime Live*  
“Russian Girls for Sale”



MCFADDEN



OSISEK

The “girls” of the title are Russian women who answer ads for overseas jobs. When they arrive, their passports are taken away and they are forced to become prostitutes. In effect, they become slaves. The team’s use of undercover video contributed greatly to the piece. The narration followed the entire process of the trafficking of women as commodities. It was both gut-wrenching and enraging. This piece also explained the economic and societal reasons why such practices can flourish.

**CITATIONS: Brian Ross**

ABC News: *Primetime Live*  
“The Baby Trade”  
**Sandra Dennison**  
NBC News: *Dateline*  
“The Long Way Home: Forced Removal of Aboriginal Children”

## 17. The Joe and Laurie Dine Award

*Best reporting in a print medium dealing with human rights*

**MARK O’KEEFE**

*The Oregonian*  
“Christians Under Siege”



The world’s media have paid much attention to the plight of some religious groups—Bosnian Muslims, Russian Jews and Tibetan Buddhists, to name a few. But journalists have paid scant attention to the persecution of followers of the world’s dominant religion—Christianity—in countries where they are in the minority. Mark O’Keefe’s series shed a rare spotlight on the suffering and faith of Burmese Christians living in exile along the Thai border, underground Christians in China, evangelists living incognito in Egypt and Christians taken into slavery in Sudan.

## 18. The Whitman Bassow Award

*Best reporting in any medium on international environmental issues*

**ANNE GARRELS AND LOREN JENKINS**

National Public Radio  
“Water Series”



GARRELS



JENKINS

Demand for water has tripled worldwide since 1950, and 1.2 billion people don’t get enough of it each day. It’s more than just an issue of poverty. Wars are already being fought over water supplies, and water politics is shaping national policies in the Middle East and elsewhere. The series was reported from Africa, Asia and the Middle East. Judges were particularly impressed by the author’s mix of official sources and everyday people, which together produced a clear and convincing narrative.

**CITATION: Alexander Stille**

*The New Yorker*  
“The Ganges’ Next Life”

## 19. The Robert Spiers Benjamin Award

*Best reporting in any medium on Latin America*

**EDWIN GARCIA, MICHELLE LEVANDER, RICARDO SANDOVAL**

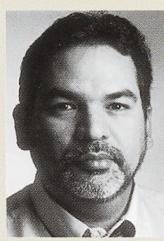
*San Jose Mercury News*  
“Lost in Transit”



GARCIA



LEVANDER



SANDOVAL

The authors exposed how Mexican migrant workers in the United States are cheated out of tens of millions of dollars as they send postal money orders and other payments to relatives back home. Abuses by corrupt money changers as well as unfair practices by big money-transfer firms were revealed. Dozens of interviews in the U.S. and Mexico uncovered major legal loopholes and weak regulatory oversight that combine to hurt hardworking Mexicans. The series shed enormous light on an issue that the American press has largely ignored.

**CITATIONS: Laurie Goering**

*Chicago Tribune*  
“Issues in South America”  
**E.A. Torriero**  
*Sun-Sentinel*, South Florida  
“Hurricane Mitch”



## Dateline Awards

# The Award Sponsors & Judges

### AT&T

#### THE HAL BOYLE AWARD

Robert J. Dowling, *Business Week*; Bill Dowell, *Time*; M.L. Flynn, NBC News

### King Features Syndicate

#### THE BOB CONSIDINE AWARD

Robert J. Dowling, *Business Week*; Bill Dowell, *Time*; M.L. Flynn, NBC News

### Life

#### THE ROBERT CAPA GOLD MEDAL AWARD

James Colton, *Sports Illustrated*; Vin Alabiso, Associated Press; Michel Bernard, Gamma Liaison; Michael Hirsch, *Business Week*; Nancy Lee, *The New York Times*; John Polich, Fordham Graduate School of Business; Marcel Saba, SABA Photo Agency

### Newsweek

#### THE OLIVIER REBBOT AWARD

Vin Alabiso, Associated Press; Michel Bernard, Gamma Liaison; Bobbi Baker Burrows, *Life*; Michael Hirsch, *Business Week*; Nancy Lee, *The New York Times*; John Polich, Fordham Graduate School of Business; Marcel Saba, SABA Photo Agency

### The Coca-Cola Company

#### THE JOHN FABER AWARD

James Colton, *Sports Illustrated*; Michel Bernard, Gamma Liaison; Bobbi Baker Burrows, *Life*; Michael Hirsch, *Business Week*; Nancy Lee, *The New York Times*; John Polich, Fordham Graduate School of Business; Marcel Saba, SABA Photo Agency

### ABC

#### THE LOWELL THOMAS AWARD

Kevin Noblet, Associated Press; Kerry Dolan, *Forbes*; Ron Scherer, *The Christian Science Monitor*

### Bell Atlantic

#### THE DAVID KAPLAN AWARD

Larry Smith, *Parade*; Steve Rago, Thomson Financial Publishing Group; Jeremy Schaap, ESPN; Lee Townsend, journalist

### CBS

#### THE EDWARD R. MURROW AWARD

William J. Holstein, *U.S. News & World Report*; Lisa Anderson, *Chicago Tribune*; Alexandra Marks, *The Christian Science Monitor*; David Minthorn, Associated Press; Jack Willoughby, *Institutional Investor*

### Lexis-Nexis

#### THE ED CUNNINGHAM MEMORIAL AWARD

Andrew Nibley, Reuters; Ed Jackson, *World Press Review*; Marybeth Nibley, author/journalist; Dwight Sargent, Hearst newspapers

### Newsday

#### THE THOMAS NAST AWARD

Eugene Linden, *Time*; Alexis Gelber, *Newsweek*

### Merrill Lynch

#### THE MORTON FRANK AWARD

Larry Martz, *World Press Review*; Allan Dodds Frank, CNN-fn; Barbara Rudolph, writer/editor

### Forbes Magazine

#### THE MALCOLM FORBES AWARD

Janice Castro, *Time*; David Fondiller, Merrill Lynch; Sarah Miller, *Petroleum Intelligence Weekly*

### A Supporter of the OPC

#### THE CARL SPIELVOGEL AWARD

Alex Taylor, *Fortune*; Sylvia Nasar, *The New York Times*; Fred Vogelstein, *U.S. News & World Report*

### Carol Mann Agency

#### THE CORNELIUS RYAN AWARD

Jane Ciabattari, *Parade*; Christopher Power, *Business Week*; Robert Teitelman, *American Lawyer*

### The Madeline Dane Ross Fund

#### THE MADELINE DANE ROSS AWARD

Robert Sullivan, journalist/professor; Stephen R. Knowlton, Hofstra University; Matthew Winkler, Bloomberg News; Christopher Wren, *The New York Times*

### The Estate of Eric and Amy Burger

#### THE ERIC AND AMY BURGER AWARD

Karen Scott, WPIX; Cait Murphy, *Fortune*; David Schlesinger, Reuters

### Philip and Kim Dine

#### THE JOE AND LAURIE DINE AWARD

Linda Fasulo, NBC; Edith Lederer, Associated Press; Danny Schechter, Global Vision

### AT&T

#### THE WHITMAN BASSOW AWARD

Steven S. Ross, Columbia University Graduate School of Journalism; Kim Kastens, Lamont Doherty Earth Observatory (Columbia University)

### Robert Spiers Benjamin

#### THE ROBERT SPIERS BENJAMIN AWARD

John D. Williams, *The Wall Street Journal* (retired); Deepak Gopinath, *Institutional Investor*; Aixa Pascual, *Time*; Don Underwood, writer/editor

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BOATS PLY A CANAL  
IN SAUVERNE, FRANCE,  
NEAR THE BORDER  
WITH GERMANY

# A TALE OF TWO

*As cross-border marriages proliferate among governments, corporations and families, Europeans are having an identity crisis*

By Robert Frank

**S**AVERNE, France—In a town that has always been too French for Germany and too German for France, people finally have a home in the New Europe.

The gold stars of the European Union flag shine from Saverne's street posts, shop windows, license plates, garage doors and business lobbies. Locals gather at the Euro Bar, next to the Hotel Europe. The mayor, an avowed pro-European, is nicknamed "Mr. Europe."

All of which raises an unsettling question.

"What exactly is Europe?" asks Angelique Berky, a 15-year-old high school student, in a European Studies class. Her classmates are equally puzzled. "Isn't it everything between Russia and Iceland?" offers a classmate. "Russia isn't Europe," interrupts a girl with a baseball hat and Nike sneakers. "Britain's not really Europe either. They're more like ... Americans."

The flag itself—12 stars on a blue background—is an equal source of local confusion. "The stars?" asks Remy Batzenschlager, a local veterinarian strolling with his family after dinner. "Aren't they the 12 countries? No, wait—aren't there 15?" (There are, but the stars no longer correspond with the number of countries.)

So it goes in Europe's novel quest to find itself. Even as this sweeping region exudes newfound confidence—new currency, a new generation of leaders, new corporate giants—European citizens are beset by growing angst about their identity and place in the world.

Nearly half of all Europeans don't feel any "sense of European identity," according to a poll by the Henley Center in London. The European Union's own polls show that only 46% of E.U. citizens support their country's membership. The countries that feel the strongest bond to the E.U.—Poland and the Czech Republic—are even members.

If anything, pan-European culture looks increasingly American. Aerosmith had the top song in Europe last year, while *Saving Private Ryan* dominated the big screen. The winner of the 1998 Euro-Vision song contest, Europe's premier talent show, was an Israeli transvestite named Dana.

Language remains a divider. While the young are increasingly multilingual, more than



half of Europeans still can't have a conversation in another language. The British comedian Eddie Izzard, hoping that a region that laughs together stays together, took a crash course in French last year and brought his show to Paris, *en français*. The French loved him, but a group of Britons in the audience tried to boo him off the stage because they had thought the show would be in English.

"Europe wasn't founded in Rome, but on Freud's couch in Vienna," says Pedro Schwartz, an economics professor at the Autonomous University of Madrid. "The Germans want to forget Hitler; the French want to control the Germans; the Spanish want to forget Franco; and the Italians want any government but their



own. Is this the makings of a union?"

Even with their hangups, however, Europeans are warming to a new collective identity. Cross-border marriages are booming, between people, companies and governments. A new generation of businesspeople jumps nimbly among countries, languages and management styles.

At the same time, though, the forces of unification have also produced a backlash, leading some Europeans to cling

even more tightly to the customs and traditions that define them. Nowhere is the tug-of-war more apparent than in Saverne and its European "twin city" of Leominster, England.

Saverne is a rural town of 10,000 on the border between France and Ger-

many that prides itself on its beer and its pan-European outlook. Leominster is a rural town of 10,000 on the border of Wales that prides itself on its apple cider and classic Britishness. Yet for the past five years, residents of Saverne and Leominster have come together to eat, drink, hike and, in between, try to understand the New Europe.

The official "Twinning Charter" hanging in Saverne's town hall promises that both towns will maintain "permanent bonds" and promote unification as the "essential undertaking for peace and prosperity." They've also shared traditions: Saverne, for instance, has taught Leominster how to make tarte flambée (a delicate pizzalike dish made from white cheese and ham), and Leominster gave Saverne toad-in-the-hole (sausage wrapped in dough). Like Charles Dickens' two fabled cities, Saverne and Leominster regard themselves as kindred spirits in a pivotal age.

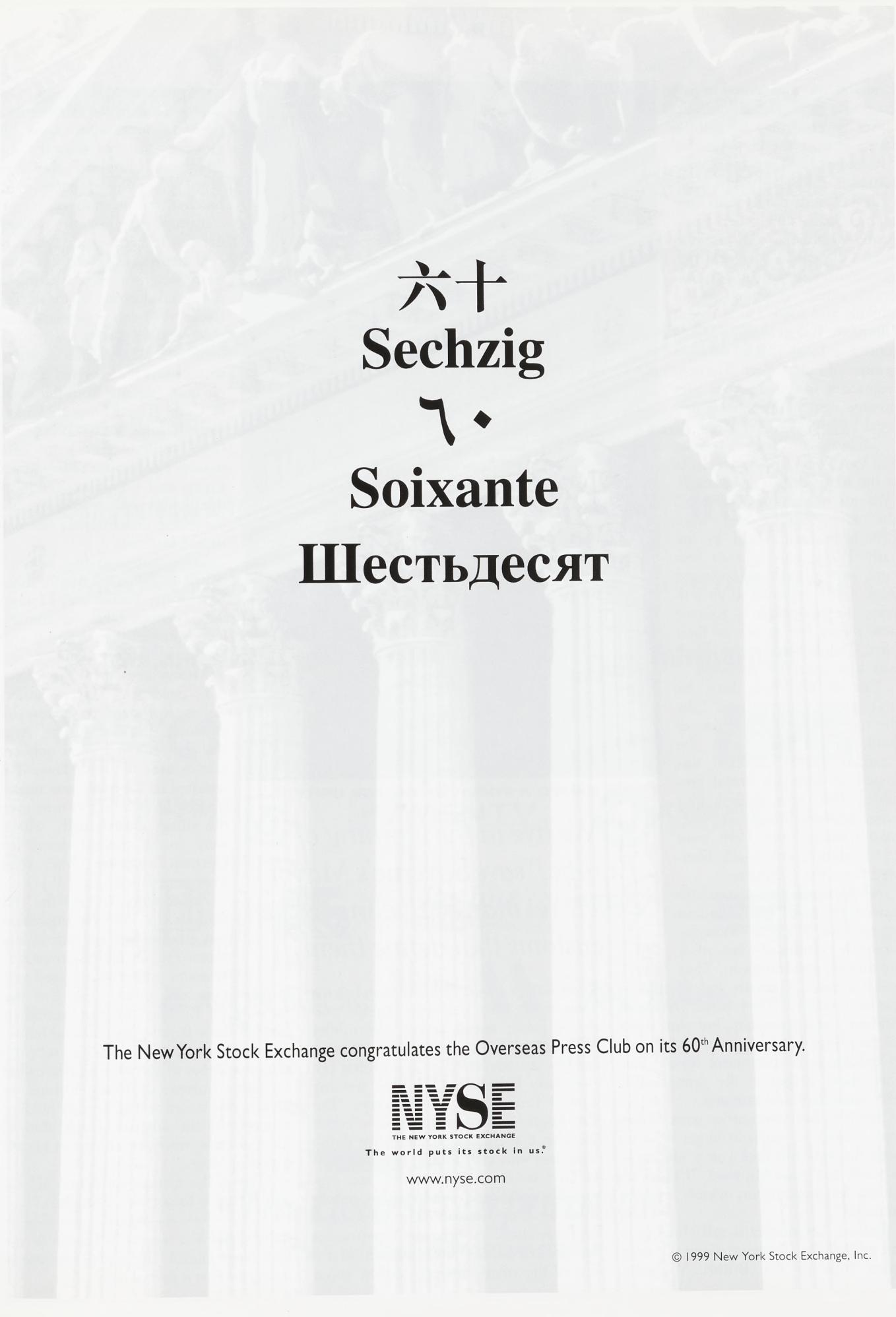
"We've both gained a lot from the relationship," says Mary Millward, a former

**"I'm English. What happens to us when we give that up? What's left? We didn't fight two wars only to give up ourselves"** —David Delaney of Leominster



PHOTOGRAPHS BY GILLES LEIMDORFER/REA—SABA (TOP); BRENDAN CORR (BOTTOM)

**THE E.U. HELPED REPAVE LEOMINSTER'S DOWNTOWN SIDEWALKS, AND LOCAL MERCHANTS COMPLAINED**



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Leominsterite who moved to Saverne with her husband in 1976.

Yet Saverne may be gaining far more from the New Europe. The major local employer, tractorsmaker Kuhn SA, earns more than half of its profits from Germany, Spain and other European neighbors. An endless stream of Swiss, Dutch and Belgian tourists motor through Saverne's canals, stopping off for trinkets and food. On a recent afternoon, Italian schoolchildren toured a local palace while a group of pinstriped German businessmen closed a deal over sausage stew and pinot noir at a local bistro.

Millward, an English teacher and tour guide in Saverne, balks at the terms British and French. "We are all Europeans now," she says. She moved from Britain to Switzerland in the early 1970s, and later to Saverne, where her husband found work. Once regarded as an outsider, she says people in Saverne now regard her as one of their own: "People blend much easier now than even five years ago."

Part of Saverne's thirst for unity stems from its past. Like the rest of the Alsace region of northeastern France, on the German border, Saverne was forged in Europe's brutal crucible. The area shifted four times between French and German masters from 1648 until 1944, when it was finally liberated from the Germans.

All those changes of uniform have taken their toll. Alsatians are famously reserved—some say famously confused—but they are already pan-European. They speak French, German and Alsatian, a German dialect. They prize Germanic efficiency and solemnity, but shut down all the shops between noon and 2 p.m. to indulge in a sumptuous lunch. Foie gras shares a spot at the dinner table with sauerkraut and sausages.

Saverne, like some other parts of Europe, "wants so much to forget what it's been through and find a new identity—to reach out," says Millward. "I think it's harder for Leominster, which is more enclosed."

Indeed, Leominster is still clinging to the solitary life. Trudging along the deep green hills of the British Midlands,

downtown are now empty. Delaney—echoing the sentiment of other Leominsterites—buys his groceries at what he calls the "traditional English" shops in town: the cheese store, the butcher, the fishmonger.

Europe has brought meager benefits to Leominster. On a recent afternoon, three lost tourists from Belgium were sharing a potato salad at the Victorian Tea Room. A Dutch evangelical television station was in town to interview a local farmer woman, who claims she received a miracle cure "straight from the hand of God." The European Union recently contributed \$1.7 million (1.57 million euros) to help repave Leominster's downtown streets and sidewalks. Yet local merchants are up in arms because the construction has disrupted business.

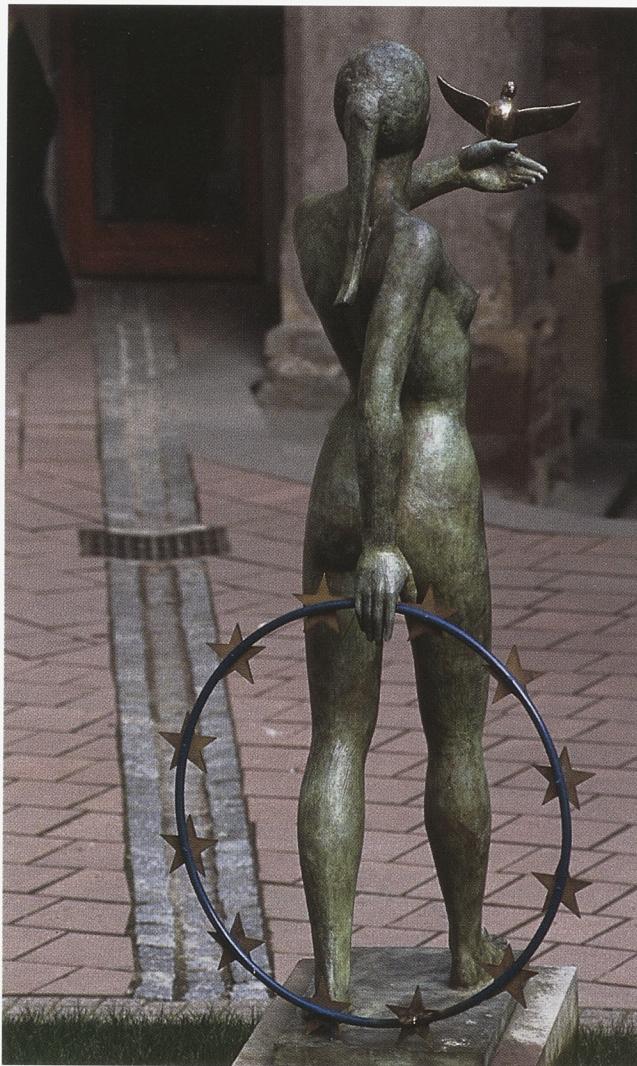
"The street was fine before," growls Paul Craven Smith, manager of the Barber and Manuel deli. "Europe takes our money, gives some of it back to us, and expects us to be grateful."

Meanwhile, across the Channel, Saverne's Mayor Adrien Zeller is moved to action by echoes of the old Europe. As a boy, he watched Nazi soldiers march over his front lawn. He watched as his uncle was nearly hanged for refusing to turn over the village church bells, which were to be melted down for German weapons. Other relatives were killed.

Zeller vows to heal the old wounds. In 1988 he organized one of the first receptions between French and German war veterans, where many aged vets

broke down and cried. "We live the meaning of Europe," he says, seated in front of three flags in his office—French, Alsatian and European. Zeller recently placed a statue in the town square called *La Jeune Europe*, or Young Europe—a bronze of a naked young woman holding a hoop with the original 12 gold stars of the European vision, reaching out toward a shining dove.

"That is the Europe we dream of," he says. "That is tomorrow's European."



**YOUNG EUROPE: A SYMBOL OF THE NEW UNITY**

## *"We live in the morning of Europe," says Saverne's Mayor Zeller. Yet many still cling to the customs that define them*

Leominster's David Delaney searches his farm for a stray beef cow. In his corduroy pants, tweed jacket and rubber Wellingtons, the soft-spoken former health-care administrator is anything but culturally light-footed. "I have nothing against Europeans," Delaney says. "But I'm English. What happens to us when we give that up? What's left? We didn't fight two wars only to give ourselves up."

The issues in Leominster are profoundly local and seem to be getting more so in response to the swift currents of unification. A Safeway supermarket has opened on the city's outskirts, and a few of the small, quaintly shabby shops

*Robert Frank is a reporter in London for the Wall Street Journal. This report from Saverne is adapted from a Journal article.*

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# THE NEW GERMANY'S NEW NORMALITY



REBUILDING  
BERLIN: TOWERS  
RISE AS THE  
PARLIAMENT  
MOVES BACK IN



*Fifty years after its foundation, the Federal Republic of Germany has finally come to terms with the horrors of the past. But will the new postwar Germany be harder to live with than the old?*

**By David Fairlamb**

The ghosts of history still rise frequently to haunt Western Europe's most populous and economically powerful country. How can victims of the Holocaust most appropriately be remembered? What more should businesses and banks do to atone if they collaborated with Hitler's Nazi regime? Is it time to forgive, if not to forget, the atrocities carried out by the former East Germany's secret police? Ought the newly reconstructed Reichstag, which will house Germany's parliament when it moves to Berlin next year, be allowed to keep its historic name despite its imperialist and fascist overtones?

Such topics have been hotly debated in the press and on television since I arrived to work in Frankfurt, the country's financial capital, six months ago. They serve as regular reminders to the 75% of Germans who cannot directly remember World War II or what went before it that they cannot escape from their nation's past. "We cannot, we must not, we will not forget," said federal President Roman Herzog after a service last November to mark the 60th anniversary of Kristallnacht, the night when Jewish shops and synagogues were destroyed by the Nazis.

"Nor," most Germans say, "should we." But the way that the citizens of this highly decentralized federation of 16 states recall their history has changed dramatically over the past decade. So much so that they seem finally to have come to terms with it. However horrified they may feel by the militarism, aggression and oppression of the past, most no longer feel personal blame and responsibility for it. Some of the oldest generation may still be weighed down by a sense of guilt and inferiority, to be sure. But the vast majority of Germans born since the war don't.

You only have to listen to today's politicians to realize that. In the run-up to last September's general election, Gerhard Schröder, now Chancellor of the country's coalition government of Social Democrats and Greens, felt confident enough to say "We are proud of



**1989, THE WALL:  
BRAVING FIRE  
HOSES, ONE MAN  
STRIKES A BLOW  
FOR FREEDOM**

*"We are proud of the people in the eastern part of Germany who threw off the communist yoke and brought down the Wall"* — Gerhard Schröder

this country, its landscape and culture, its people's creativeness and will to achieve. We are proud of the older generation, which rebuilt the country after the war and gave it its place in a Europe at peace. We are proud of the people in the eastern part of Germany who threw off the communist yoke and brought down the Wall."

**N**one of Schröder's predecessors would have dared articulate such feelings. That's because they were caretakers of the old postwar Germany, whereas the current Chancellor is a product of the new.

The fact is that Germany—once a most unusual country because it had been destroyed by war, divided into a capitalist Federal Republic and communist Democratic Republic and occupied for 45 years by four of its former enemies—is today a stable, respectable and mature democracy. Despite its militaristic and fascist past, it is now an ordinary—some would say rather boring—

country that is neither better nor worse than its neighbors. Like them, it has voluntarily handed over much of its economic and political sovereignty to the European Union in a bid to ensure that the peace and prosperity of Europe will never again be threatened by war. It plays an active role in international affairs. Its domestic politics revolve around economic matters, especially its 10%-plus unemployment level, crime and immigration. In short, Germany has become a normal West European country.

That the federal republic was heading towards normality first became evident in 1989-90 when the Berlin Wall was torn down and East and West were reunited into a fully sovereign state free of the four powers' occupation. Shortly afterward, communism collapsed, the Soviet Union fell apart, the Warsaw Pact unraveled and the country lost its special strategic position on what had been the border of free Europe.

But it wasn't until last autumn, when the voters replaced the long-serving 68-

year-old Christian Democratic Chancellor Helmut Kohl with Schröder, 54, that the scale of the transformation became clear and the process of normalization came to an end.

Few of the new government's members have any personal memory of Hitler or the war. And unlike their predecessors, who were willing to bend over backward to be flexible in negotiations with their E.U. partners, they no longer see why Germany should automatically be willing to put its interests second. They increasingly do what their E.U. counterparts do and put Germany's national interest first. They even sometimes use those once taboo words in public. That alone is a big change from the way things used to be.

Another sign of normality: many Germans feel they can say openly that they are exasperated by the new demands being made on them to make financial amends for the Holocaust. Last October the highly regarded author Martin Walser—a person of impeccable social

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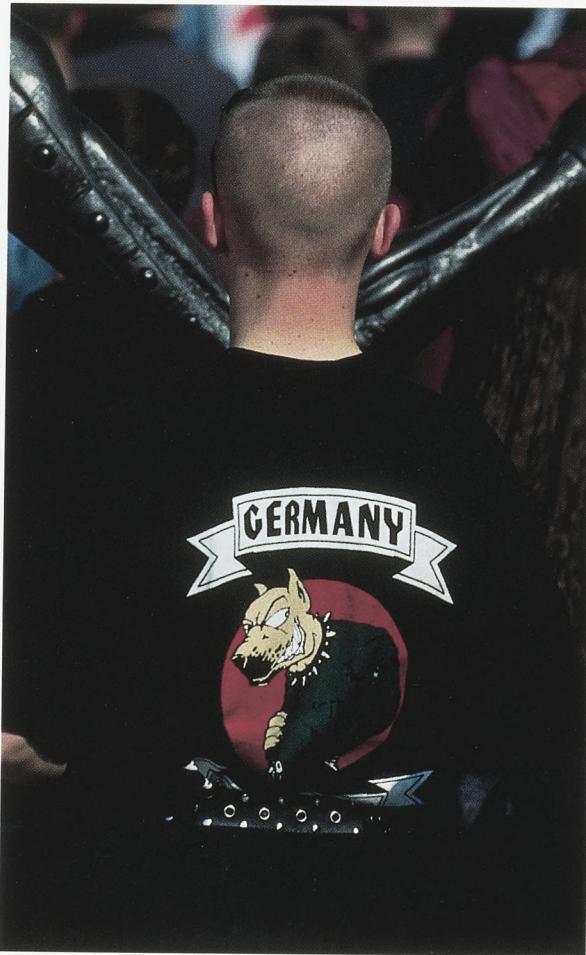
and political credentials—lashed out at some of the groups demanding more compensation. That a commercial deal like the proposed acquisition of Bankers Trust by Deutsche Bank could be delayed or prevented by wrangling over further reparations, as it has been, suggests that Germans will go on being punished ad infinitum for the crimes of their forebears. "Auschwitz," Walser insisted, "should not become a routine threat, a tool of intimidation, a moral cudgel." He added that "German shame should not be exploited for present purposes."

Perhaps because of such comments, some observers fret that the new Germany could revert to its former unsavory ways. A united Germany is a dangerous Germany, they warn. And they fear that moving the federal government from the sleepy city of Bonn, which is less than an hour's drive from the Dutch city of Maastricht, to the old imperial capital of Berlin, just 60 kilometers from Poland, will somehow weaken ties between Germany and its E.U. neighbors and encourage politicians to play the nationalist card.

The Kohl government's lobbying to have German made a working language of the E.U. alongside French and English shows that the country has nationalist ambitions, the worrywarts claim. So does the Schröder Cabinet's repeated bullying of the supposedly independent European Central Bank, which was given control of monetary policy when the E.U.'s new single currency was launched in January. (The government wants the ECB to lower interest rates, because that is in the interests of the sluggish German economy, even though it may not be to the advantage of the euro zone as a whole.)

The new government's insistence on a fairer financial deal from the E.U.—to which it is the largest net per capita contributor—merely confirms to critics their view that Germany is increasingly putting its national interests ahead of the European Union's as a whole. An E.U. official remarked recently that the Schröder government "reminds me of Margaret Thatcher at her handbag-swinging worst."

Perhaps. But there is little sound evidence that the new Germany will be more nationalist than the old. Far from it.



**SKINHEAD CHIC: A VESTIGE OF A DYING PAST**

*Some observers fret that the new Germany could revert to its former unsavory ways. A united Germany, they warn, is a dangerous Germany*

One thing that living in Germany drives home is that this is now one of the most open and internationally oriented countries in Europe. English and, to a lesser extent, French are widely spoken. Non-Germans sit on the management boards of many large companies, such as Adidas-Salomon and Siemens. Some companies even conduct their business in English. What's more, Germans love traveling abroad—so much so that two foreign holidays a year have become the norm.

Despite the current dispute over the newly elected government's plans to reform the citizenship laws—in order to give children of foreigners the right to maintain dual nationality—most second-

generation immigrants are readily assimilated. Racial tensions do occasionally surface in the large industrial cities, sometimes with tragic consequences, and yet intercommunal relationships are generally good. I have found this to be especially true in Frankfurt, which boasts of a 17% non-German population and is promoted by its own city council, in English, as "the City of the Euro."

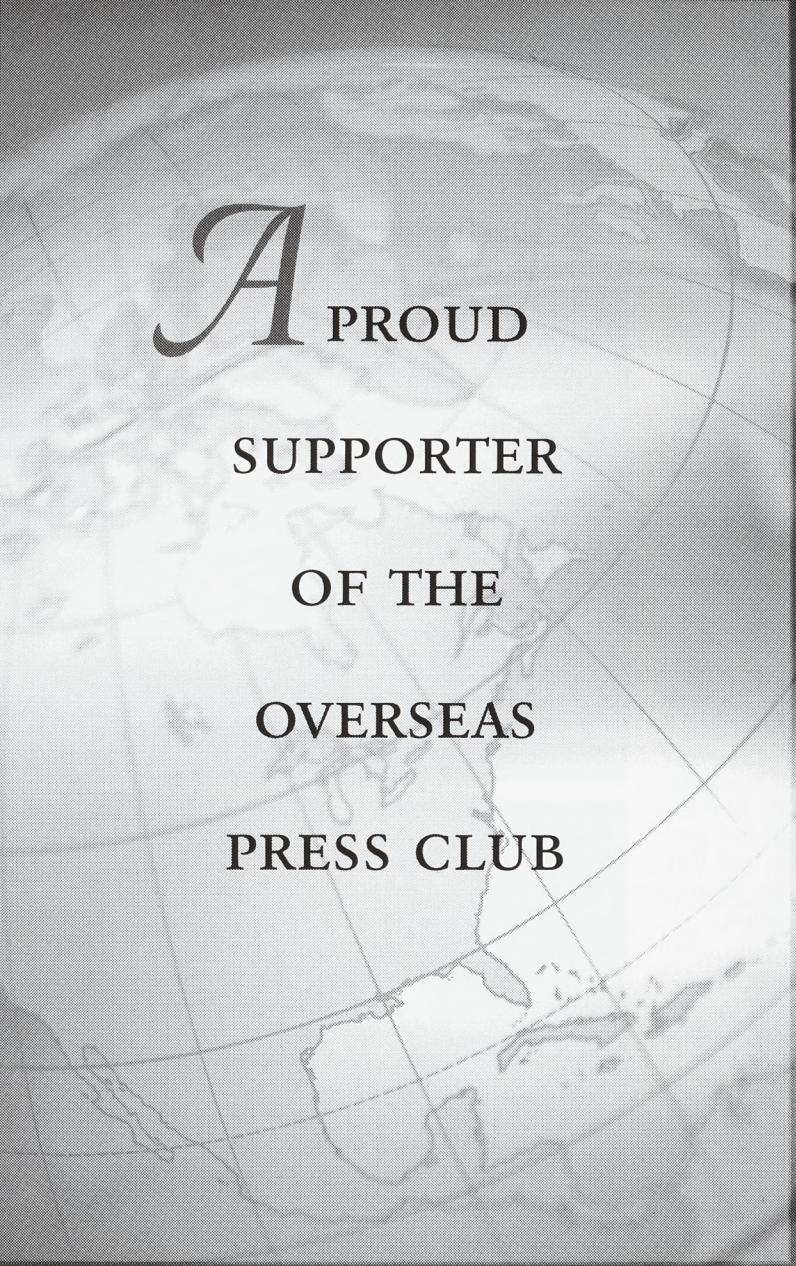
Indeed, the very existence of the single currency is testament to the new Germany's continued willingness to plow an international, pro-European furrow. By giving up the deutsche mark, the beloved symbol of their postwar economic success, the Germans have bound themselves forever to their neighbors in a move that former Chancellor Kohl said would make "the difference between war and peace in the 21st century."

From Germany's point of view, the euro is as much a sign of political commitment to the E.U. as it is an economic pledge. Since the 1960s, Germany's powerful, manufacturing-driven economy has been Europe's locomotive. And since the 1980s, the deutsche mark has been so dominant on the foreign exchanges that most E.U. central banks have had little choice but to follow interest rate policies set by Deutsche Bundesbank, the German central bank. When the Germans raised rates, most other European countries were obliged to follow, even if their economies would sometimes have benefited from a cut. The power and prestige of the Bundesbank was never so great as it was in the 1990s, when it effectively set monetary policy for nearly all E.U. members.

Germany's willingness to surrender such a powerful economic weapon and subject itself to the dictates of the ECB—which takes the state of the entire euro-zone economy and not just Germany's into account when setting interest rates—shows that the republic is totally committed to anchoring itself inside a strong European Union. Germany may dislike some ECB policy decisions. But that's not in itself a cause for concern. Germany is merely acting as other European countries do. It is finally behaving normally.

*David Fairlamb is the European editor for Institutional Investor.*

# Bloomberg News



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# THE REBIRTH OF EASTERN-NO, CENTRAL EUROPE

*The people of the former Soviet bloc have moved so far west in their outlook that they don't even want to be called Eastern Europeans anymore*

By Richard Hornik

Ten years ago last February, an unlikely group of people gathered at a round table in Warsaw to chart Poland's political future. For the most part, they represented complete opposites on the country's political spectrum. On one side were the communists, who had clung tenaciously to power over the past eight years, even resorting to the imposition of martial law in December 1981. On the other was the Solidarity trade union, which had been just as relentless, refusing to give up hope in the darkest days of 1982-83. For the better part of a decade, the workers and intellectuals at the heart of Eastern Europe's first free trade-union movement had managed to keep up the pressure and their followers' spirits in spite of the regime's efforts to "normalize" the situation.

Against expectations, within two months the two sides had agreed to the outlines of a gradual transition from communist rule to representative democracy. As it turned out, Solidarity was in complete control of the government even before the Berlin Wall fell in November 1989. A new era in Europe's history had begun. Looking back, it is easy to forget what a close thing it was. Mikhail Gorbachev did not simply wave a magic wand and free the serfs of Eastern Europe from Russian domination. Had the Poles dissolved into the bitter squabbling or

vicious revenge seeking that their recent history could easily have justified, the region would probably look a lot more like the former Soviet Union does today, rather than being on the verge of full integration into Western Europe.

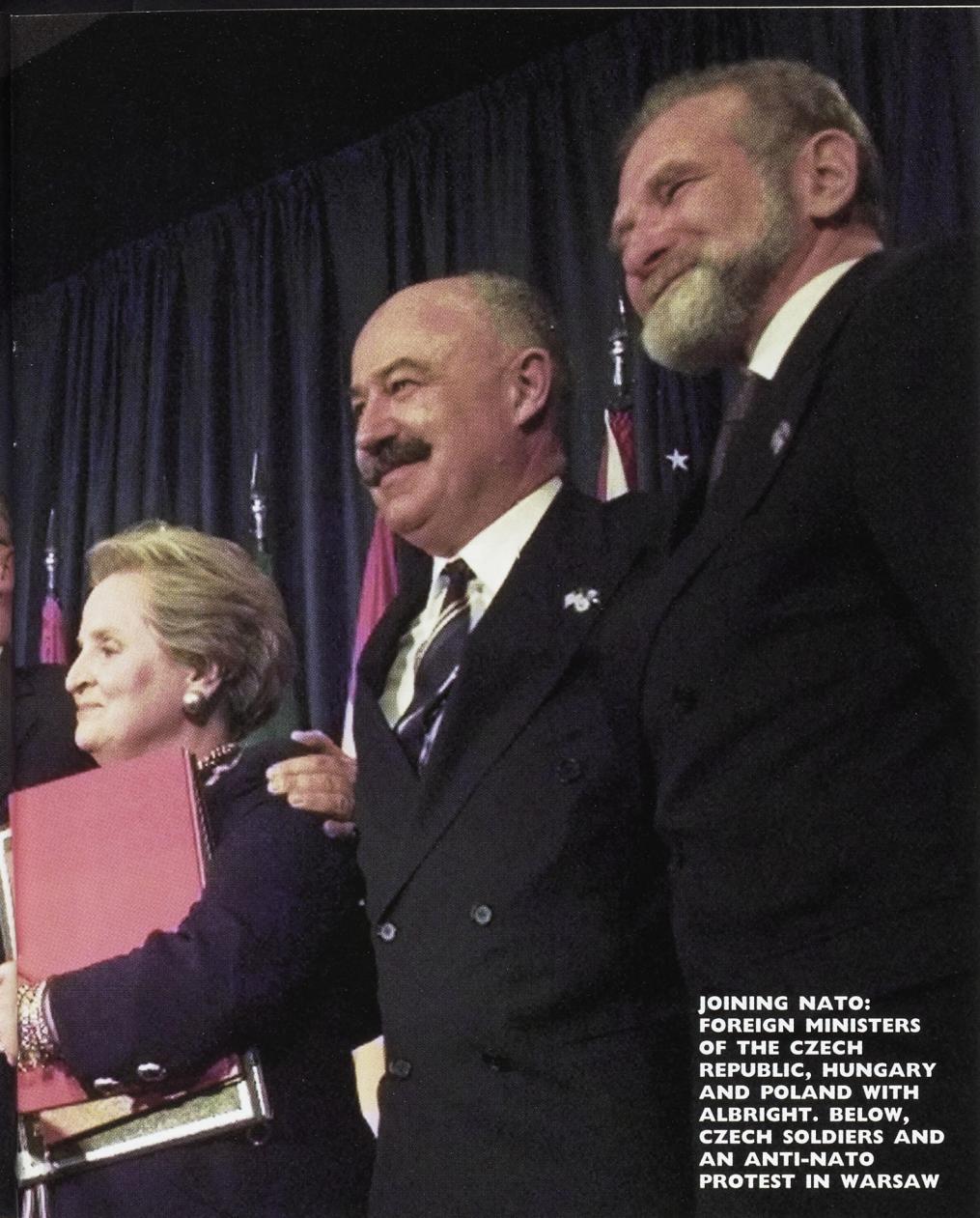
For Americans, the end of the Cold War is an epochal event that has reordered their view of the world beyond U.S. borders. For East Europeans, it is more personal, indeed the defining moment of their lives. The citizens of the region—particularly those of Poland, Hungary and the Czech Republic—now enjoy the same political, economic and cultural freedoms as their neighbors to the west. That does not mean they have the same electoral stability, material prosperity or artistic diversity as the current members of the European Union. And the people of Slovakia, Bulgaria and Romania remain well behind on all three fronts. Still, the vast majority of the people who for almost half of this century resided in what we once called the Soviet bloc recognize the end of the millennium as a time of unparalleled hope and opportunity.

On the other hand, it is also a period of increased banality. There is among some denizens of Eastern Europe—which now insists on calling itself, more correctly, Central Europe—a kind of nostalgia for the bad old days when economic privation and political oppression sharpened the citizenry's intellectual survival skills. Former dissidents are more likely today to talk about rising

*Discussion of life and death issues has now given way to concern about high taxes and real estate*

CLOCKWISE FROM TOP: PHOTOGRAPHS BY CLIFF SCHIAPPÀ—AFP; CZAREK SOKOŁOWSKI—AP; LIBOR ZAVORAL—AP





**JOINING NATO:  
FOREIGN MINISTERS  
OF THE CZECH  
REPUBLIC, HUNGARY  
AND POLAND WITH  
ALBRIGHT. BELOW,  
CZECH SOLDIERS AND  
AN ANTI-NATO  
PROTEST IN WARSAW**



real estate prices or high taxes than about giant issues like the nuclear threat and freedom of expression.

Politicians in the region have become—well, boring. Poland's Prime Minister Jerzy Buzek, named Man of the Year for 1998 by several local publications, moves the needle on the charisma meter even less than Al Gore. But boring, from many points of view, is good. It means that the life and death issues that dominated political debate in the early 1990s have been settled, more or less.

An interesting repercussion from this is that in Poland and the Czech Republic, the circulation of national newspapers has fallen in the past few years, while that of local dailies has increased. In the old days, all politics in Eastern Europe was cosmic. Now, as Tip O'Neill would be delighted to see, politics east of the Oder has become local.

But as the region discovered in 1998, all economics is now global. The Russian financial collapse proved that with a vengeance last August. Foreign investors conflated Russia's situation with that of its former vassal states, believing that the wrenching economic reform and restructuring in Poland, the Czech Republic and Hungary had reoriented their domestic economies but not their foreign commercial ties with the rest of the old Soviet empire. And not without reason. After all, less than a decade ago those countries were economic hostages of the planners in Moscow who decided which industries would develop where in the so-called international division of labor.

In fact, though, the foreign trade distribution of the region has changed as dramatically as everything else. The Czech Republic sent only 3% of its exports to Russia in 1997. Hungary and Poland have also shifted their trade to the West—in part because a prostrate Moscow simply can't afford to buy their goods. As Polish Finance Minister Leszek Balcerowicz told *Time*—two months before Brazil's economic meltdown—"Although we are geographically close to Russia, Brazil is much closer to Russia's macroeconomic profile than Poland is. And what counts are profiles and not geographic proximity."

By and large, Balcerowicz's analysis has held true—the collapse in Russia has had more of an impact on Latin America than on Central Europe. But the region's new westward orientation is not an unalloyed blessing. After all, the next economy to succumb to the global malaise may be Germany's. And since the Central Europeans have swapped their com-



**FREEDOM TO  
DEMONSTRATE:  
POLISH FARMERS  
BURN THE EU FLAG  
TO PROTEST IMPORTS.**

mercial dependence on a big Eastern neighbor for trade and investment ties with Germany, the consequences of what appears to be the beginning of a downturn there might be very painful.

Still, Poland, the Czech Republic and Hungary are more committed than ever to joining the European Union early in the next century. Their accession to NATO this spring—a mere 10 years since they left the Warsaw Pact—marks a crucial step on the road to full integration in post-Cold War Europe. But true membership will come only with entry

into the E.U.'s common market and later, with the adoption of the euro, into the European Economic and Monetary Union.

Many obstacles stand between the Central Europeans and E.U. membership. And they are not all in the East. The E.U.'s farm subsidy program eats up \$45 billion a year, almost half its entire budget. That so-called Common Agricultural Policy will have to

be reformed before countries like Poland, whose farmers still make up 25% of the work force, can join. When E.U. farm ministers met in Brussels in February just to discuss those reforms, over 30,000 farmers—primarily from France and Germany—stormed the city to protest even the notion of discussing reduced benefits.

Their comrades in the East have held their own demonstrations. Polish pig farmers caused so much havoc this winter that Warsaw finally had to cave in to their demands for price supports. That weakness could

cause serious problems down the road as the government tries to restructure agriculture—not to mention the coal and steel industries. But the good news is that the politicians running Central Europe seem to understand better than their counterparts in the E.U. that their economic problems will not be solved simply by forcing down interest rates or pushing up government spending. As Balcerowicz said last fall, "The main

conclusion we draw from what is happening around us is that we must make our economic fundamentals even stronger." That theme is repeated in countries throughout the region, including places like Slovakia, Romania and Bulgaria, which have lagged behind their fellow former satellites in economic reform. Meanwhile, the economic and finance ministers of France and Germany seem to think that cheaper money and more consumer demand by themselves will fix the structural problems that have driven unemployment into double digits.

The people of what we used to call Eastern Europe have certainly turned their eyes to the West and look forward to being bona fide members of the E.U. But it is encouraging to see that having suffered for half a century under the autocratic rule of Moscow, these newly readmitted citizens of Europe will not slavishly follow the lead of their more prosperous Western neighbors. Who knows? Perhaps Western Europe could learn something from the folks no longer living behind the Iron Curtain.

*Richard Hornik is European business and economics editor for Time. He was Eastern European bureau chief from 1981-83.*

*The collapse  
of Russia had  
more impact  
on Central  
America than  
on Central  
Europe*



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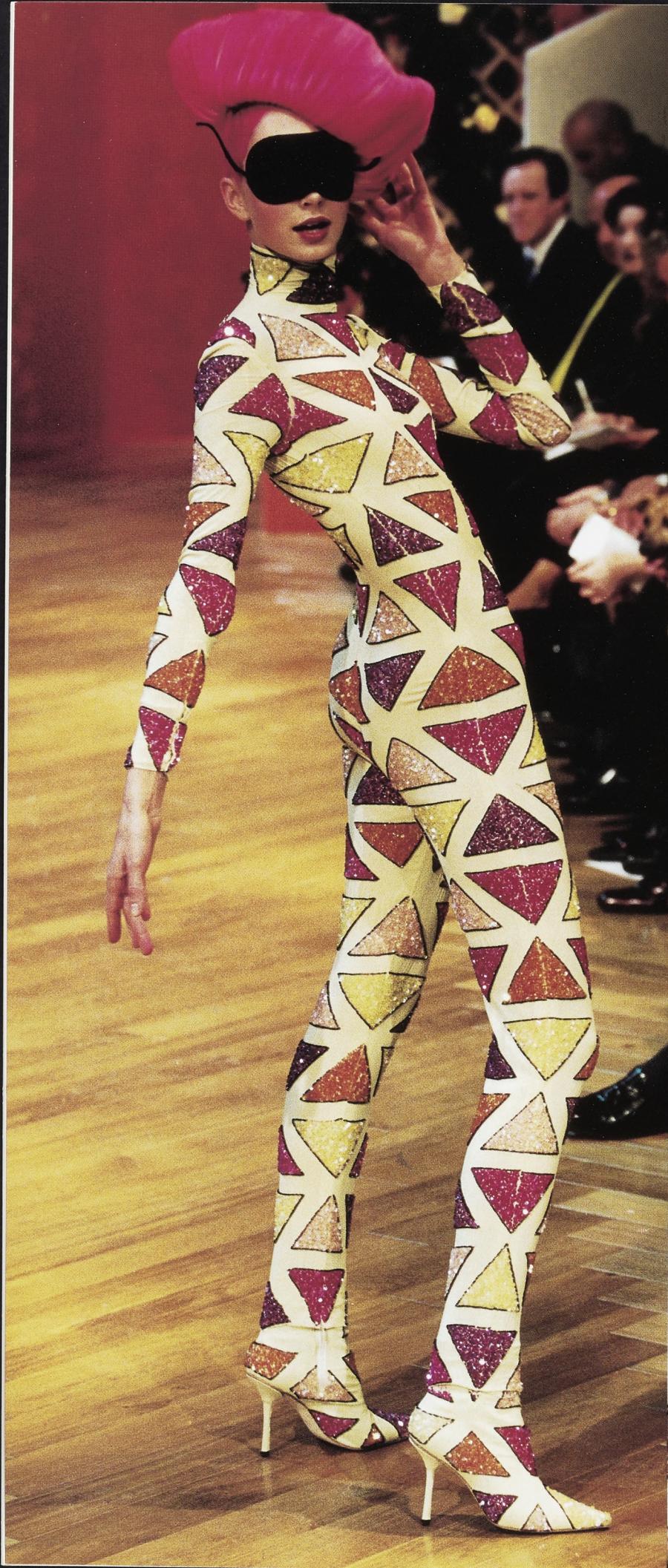
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# YES, LONDON DOES SWING

*“Cool Britannia” hype aside, the English capital is a European mecca for film, theater and fashion*

By Julie K.L. Dam

**C**an something be cutting-edge if the mainstream keeps trying to claim it? In 1966 *Time* tapped London as the most happening city in the world. Two years ago, *Newsweek* revisited the theme, having decided that London was swinging again. And as Prime Minister Tony Blair's spin machine would put it, London is the capital of “Cool Britannia.”

Blair, who played in a rock band while at Oxford University, has even invited the likes of rock band Oasis' Noel Gallagher to 10 Downing Street in an attempt to “rebrand” Britain as a global trendsetter and his New Labour government as young(ish) policy-makers by day, friends of hipsters by night.

Not that coolness starts at the top. Like Bill Clinton's chumminess with Hollywood, what seemed so glamorous at the beginning became tacky, even laughable, upon closer inspection. Even the staunchest Labour luvvies were dismayed at what one commentator mocked as “the Labour Party trying to strut its funky stuff.” As comedian Ben Elton warned in a scathing commentary published in *New Musical Express*, “Style is no substitute for substance.”

But as cynical as one ought to be about the hype, the fact is

that over the past few years, London has indeed been a hotbed for artistic activity, whether it's theater, film, literature or fashion. What other city has produced brash design talents such as John Galliano and Alexander McQueen, now both plying their trade in the couture houses of Paris? Why else have movie stars, from Liam Neeson to Nicole Kidman, made a beeline to the London theaters to tread the boards for scale wages? What is Leonardo DiCaprio's first post-

*Titanic* film but an adaptation of Brit-lit wunderkind Alex Garland's first novel, *The Beach*—directed by Britain's own Danny Boyle? Should it come as a surprise that the latest international style bible, *Wallpaper\**, is based in London?

The real question is: Why all this buzz now? Despite New Labour's ham-fisted attempts to seem hip—and its disappointing record in arts funding so far—it's rise to power in May 1997, ending 20 years of Tory rule, did play an important role.

The controversial artist Tracey Emin, for one, credited New Labour with giving the art world new hope.

“In Britain at the moment it's fantastic, because the past 20 years have been pretty awful,” said Emin, 35, five months after the election, when one of her works, *Everyone I Ever Slept With, 1963-1995*—a tent decorated with colorful patches bearing that information—was featured in the Sensation exhibition of young British artists at London's Royal Academy.

“All my youth was spent under what I felt was an oppressive government—culturally, socially,” said Emin. “People are starting to feel really optimistic, and it's not just the arts: it's music, fashion, everything. So it seems all that suppressed feeling in the '80s has really just kind of exploded now.”

As that creative energy grew within Britain,



**FILM** FROM *TRAINSPOTTING* TO *NOTTING HILL*, THE BRITISH ARE MAKING MORE THAN JUST COSTUME DRAMAS





## THEATER

**THE BLUE ROOM, ABOVE, AND THE  
ICEMAN COMETH, SMASHES IN LONDON,  
RIDE A BRITISH WAVE TO NEW YORK**

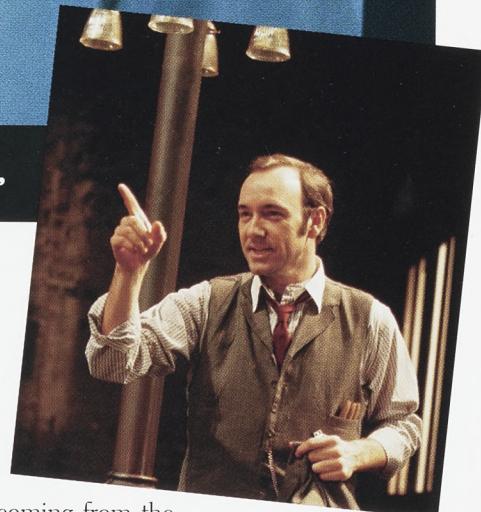
people elsewhere began to take notice. British films have long enjoyed critical acclaim in the U.S., but the serious Merchant-Ivory costume dramas were replaced by light romantic comedies like *Four Weddings and a Funeral* and edgy films like *Trainspotting*. Hugh Grant in formal wear and Ewan McGregor in a dingy toilet are admittedly two very different images to send out to the world, but perhaps that was the point: British film had range beyond posh accents and corsets.

Both of these low-budget "little films that could" went on to make huge grosses in Britain and, crucially, the U.S. Mike Newell, who directed *Four Weddings*, went to Hollywood to make *Donnie Brasco* with Johnny Depp. The London-based Figment Films production company, which brought us *Trainspotting*, is working with DiCaprio on *The Beach*. Ewan McGregor will be starring in this summer's *Star Wars* prequel. Even Tomato, the Soho-based design team that did the innovative flashing, odd-fonted credits for *Trainspotting*, has

parlayed that hip association into work on things like Nike commercials.

In 1997 Sir Peter Hall founded a repertory company dedicated to providing live theater seven days a week at the Old Vic, a venerable house just south of Waterloo Bridge. His ambitious project demonstrated that theater was alive and well in London; there are few places in the world where such a project could have any hope of surviving. Although the company had financial trouble (and the owners of the Old Vic decided to sell the building, evicting the actors), Hall's efforts helped bring new excitement to the London theater scene. Not only did he stage classics from the American and British canon, but he also introduced new works. And there is much to choose from. Young writers like Martin McDonagh (*The Beauty Queen of Leenane*) and Patrick Marber (*Closer*)—both of whose plays premiered in London and are on Broadway now—fed the boom.

In fact, theater is becoming a great British export—and the hits aren't just



coming from the usual sources, the West End and the great institutions of the Royal National Theater and the Royal Shakespeare Company. "There has been a real good fragmentation of the theater in London, and people no longer insist on going to one area" such as the West End, says the Almeida Theater's co-artistic director, Ian McDiarmid. His small 300-seat theater, based in the trendy borough of Islington, regularly attracts big names like Ralph Fiennes and Juliette Binoche to show their acting skills live. Along with the Donmar Warehouse, another small theater (where Kidman famously got her kit off), the Almeida is leading a revival in

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## ART

**TRACEY EMIN'S LOVER'S TENT SHOWED AT LAST YEAR'S "SENSATION" EXHIBITION. THE ART SCENE HAS EXPLODED, SHE SAYS, SINCE TONY BLAIR TOOK OFFICE**

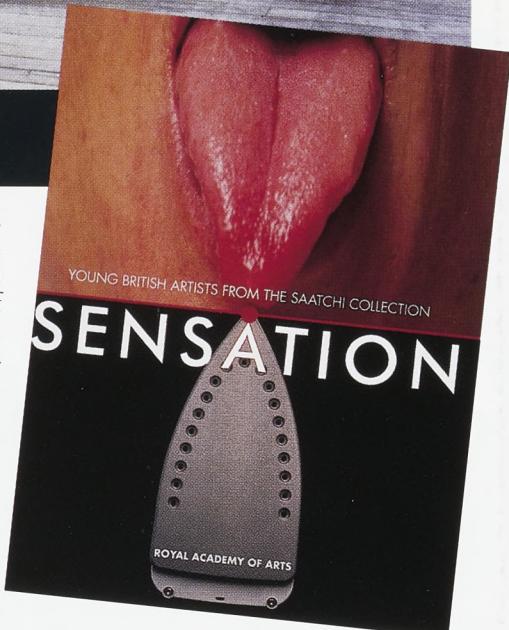
British theater that is erasing all memories of the bloated Andrew Lloyd Webber musicals for which the country was known a decade ago.

The buzz created by these starry productions has given any play with a London pedigree an added cachet. As a result, so many London productions are transferring to Broadway this year that it could be termed a British season in New York. Oscar winner Kevin Spacey, who starred in *The Iceman Cometh* at the Almeida last year, will soon reprise his role on Broadway. Kidman's play *The Blue Room*, by British playwright David Hare (who has three works on Broadway this year), sold out before it opened, based on its London reviews.

In the world of fashion too London has reinvented itself. Not so long ago, British fashion was something of an oxymoron, unless you considered Barbour jackets chic. But the mad genius, drama and talent of John Galliano—first snapped up by Givenchy, whence he moved to Christian Dior—put London on the cutting edge in the early 1990s.

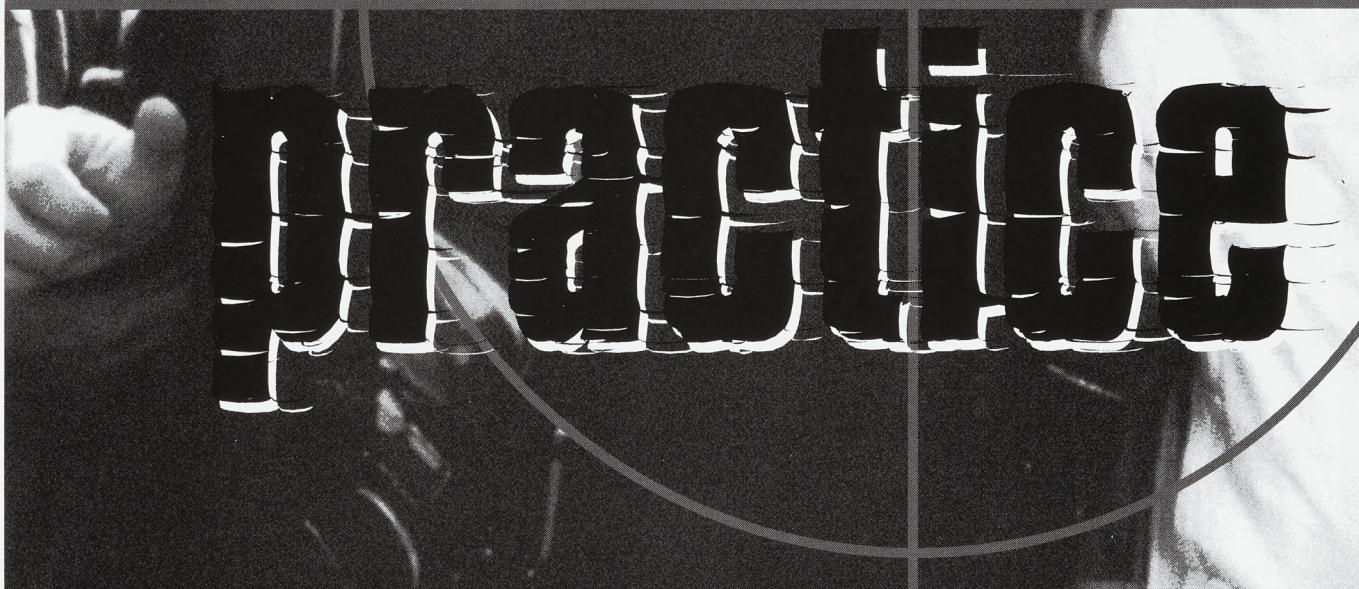
Alexander McQueen (now at Givenchy), Hussein Chalayan, Antonio Berardi, Matthew Williamson and Chloe's Stella McCartney are part of the generation of designers that has emerged from the new London fashion scene. Like Galliano, many of them attended London's Central St. Martins, the most influential design school of this decade. The most convincing argument for London as a fashion center: representatives from the French and Italian houses have taken to trolling for new talent at the British capital's biannual slate of fashion shows and recruiting at the school.

With so much to offer, the arts scene in London doesn't have much to worry about except perhaps a case of brain drain. Yet speak to the stars in the creative fields, and many will say that London is the only place to be. Though McQueen works for a French couture house, he still shows his own line in London. Hugh Grant was recently back in London making *Notting Hill*, by the writer of *Four Weddings*. The Almeida may go on tour, but its roots are firmly in North London.



"I wouldn't want to work anywhere else," declares choreographer Wayne McGregor, a pioneer of computer-enhanced dance. "In London there's no real fringe—the fringe is the mainstream." Which answers our original question: London's not just swinging. It rocks to its own tune.

*Julie K.L. Dam, now a senior writer at People in New York, recently spent 2½ years in London as a writer for Time.*

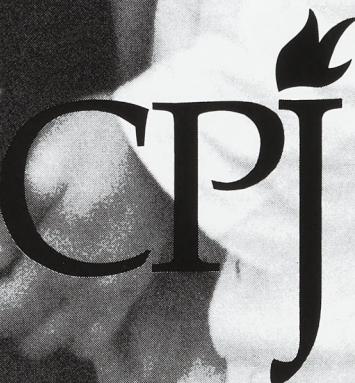


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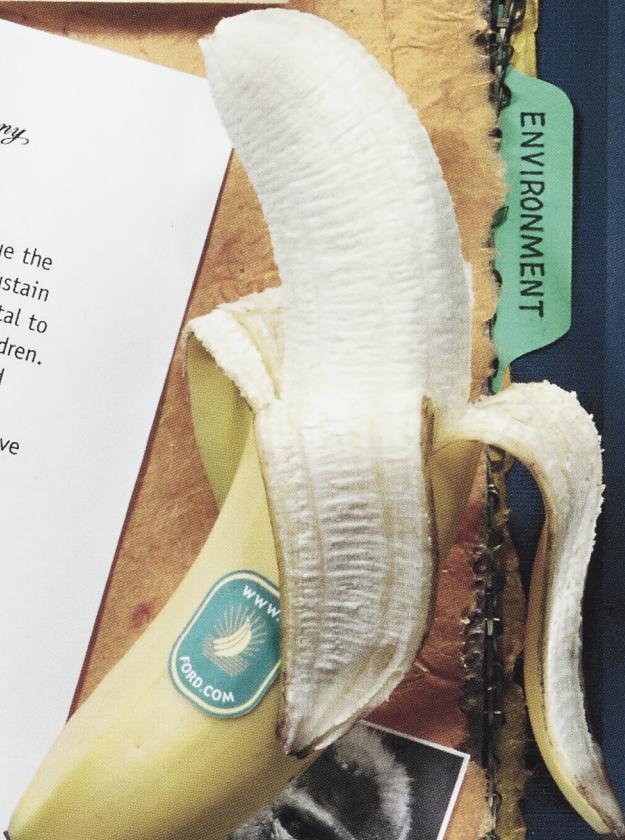
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ENVIRONMENT



# Learning to Fight the Censors: Not a Bad Year for Press Freedom



By Norman Schorr, Kevin D. McDermott, and Larry Martz

**M**aybe it was a good omen. It was surely a first: In all the years of writing to governments to protest violations of press freedom, the OPC's Freedom of the Press Committee had never received a flat-out apology in reply. But here was Dewi Fortuna Anwar, Assistant to the Minister State Secretary for Foreign Affairs of Indonesia, formally regretting the beating of journalists who were covering the riots in Jakarta last May. "It would be less than candid if we fail to admit that unfortunate incidents did occur," Anwar wrote. In fact, he explained, the riots were out of control, and "the intolerable incident against the journalists occurred in this situational context.... The Commander in Chief of the armed forces has expressed regret, and all parties certainly do not wish to see such incidents recur."

*Journalists abroad still run grim risks, but a new vigilance and greater openness are more in evidence*

A few caveats: What Anwar was deplored had happened in the reign of President Suharto, whose throne was toppled by the riots. The new President, B.J. Habibie, was making a bow to press freedom, so it cost Anwar nothing to apologize. As with the new regime in Nigeria, where Sani Abacha's successor, Abdulsalami Abubakar, has freed 17 jailed journalists, there is no guarantee against future abuses: whatever the new leaders' current policies, they

have so far done nothing to repeal the draconian press laws that Suharto and Abacha used so effectively to muzzle the press.

Still, even a token nod to the principle of press freedom is welcome. On cautious balance, Anwar's letter was an omen: 1998 was a fairly good year for independent journalism.

Even so, in its annual review, the Vienna-based International Press Institute pointed out that "two-thirds of the world's population are still living in countries where the fundamental principles of freedom of expression are not embraced." Ann K. Cooper, executive director of the Committee to Protect Journalists, found "progress, but not nearly enough" in 1998.

Statistics told a cheerier story. The figures on deaths and jailings vary among the watchdog organizations. According to the CPJ, the most conservative and most

scrupulous of the press defenders in investigating abuses, at least 24 journalists were killed last year in pursuing their work. That's two fewer than in 1997, a continuation of a trend that has cut the annual journalistic death toll two-thirds since the early '90s. And at year-end the CPJ counted 118 journalists in prisons in 25 countries, down from 129 a year earlier.

Figures are harder to come by, and less reliable, for journalists who were beaten, threatened, kidnapped, attacked or harassed, and media that have been censored, shut down, heavily fined or vandalized. It's fair to point out that vigilance is rising, so that abuses are more likely to be reported than they were a decade ago. And since the demise of the Soviet Union, there are a lot more countries where something approaching journalism can even be attempted.

All this kept the Freedom of the Press Committee unusually busy. A total of 96 letters of protest went out to 52 governments. It is a token of the recent sensitivity to these issues that there were an unusual number of replies—though most of them remained in the usual vein. As a letter from the Chinese embassy explained in the case of a Japanese journalist, "Yukihisa Nakatsu violated Chinese laws by illegally obtaining Chinese state secrets with money since he came to work in China as a reporter for *Yomiuri Shimbun* of Japan."

The unequivocal good news of 1998 is that journalists are learning ways to fight official repression, banding together to use new tools and the power of their own presses to force governments to back off.

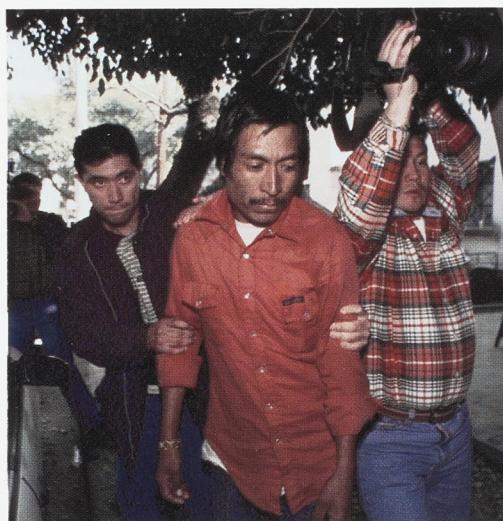
**A**fter his exposé in March of last year of corruption in the Peruvian military for the liberal *La República* of Lima, investigative reporter Angel Páez found himself under fire—from the press. Day after day, four sensationalist tabloids barraged him with headlines calling him a traitor, a terrorist and a secret agent for the Ecuadorian army. It was clear that the attack was coordinated, almost surely contrived by the government: all four papers carried heavy doses of official advertising, and often all four published the same story, with the same headline, on the same day. Fearing an arrest or even an assassination attempt, Páez went underground.

As the CPJ tells the story in its annual compendium, *Attacks on the Press in 1998*, Páez's original scoop had uncovered systematic wiretapping of journalists and political opponents by the Army Intelligence Service, a division of the shadowy National Intelligence Service (SIN). Peru's

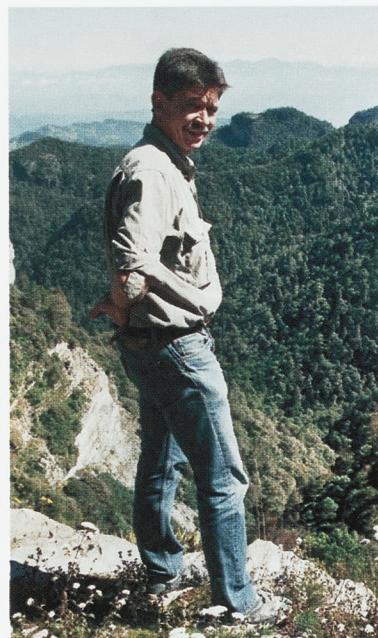
authoritarian President Alberto Fujimori is notorious for intimidating opponents, particularly journalists. Their phones have been tapped; they have been followed, detained and questioned on trumped-up charges; and SIN has actually kidnapped reporters.

Páez resolved to fight back, using the tools of an investigative reporter to dig for proof that the campaign against him was also a government plot. And he found the smoking gun, the CPJ's Joel Simon writes, in a fax sent to one of the papers by Augusto

Horacio Verbitsky, who organized Periodistas and used it to protest the murder of photojournalist José Luis Cabezas. With press releases and street protests that drew thousands of demonstrators, the group got massive coverage of the murder—and while the case has not been closed, conditions for reporters have improved in Argentina too. Similar groups have been formed in Mexico, Colombia, Brazil, Guatemala, Paraguay and Ecuador. After Bill Clinton spoke out on the Cabezas case, the O.A.S. named a new Special



JUAN CHIVERA, MURDER SUSPECT IN THE DEATH OF AMERICAN CORRESPONDENT PHILIP TRUE, RIGHT, IS TAKEN INTO CUSTODY. TRUE'S BODY WAS FOUND IN A MOUNTAIN RAVINE IN WESTERN MEXICO



Bresani, a political consultant who worked for the army high command. The fax, another vitriolic attack on Páez, was published verbatim as a news story the next day.

But even that discovery probably wouldn't have daunted SIN if Páez hadn't had help. Jorge Salazar, executive director of a fledgling Peruvian group called the Institute of the Press and Society, organized an international delegation of press freedom spokesmen to visit Peru "to show the government that there was a tangible international concern—in other words, that we are not alone." Representatives from watchdogs including the CPJ, Reporters Sans Frontières, Freedom Forum and the Argentine group Periodistas met with editors, members of Congress, the Attorney General and Fujimori himself. The visit got wide international coverage, and "Fujimori got the message," Simon reports. The tabloid crusade against Páez was called off, and in the next few months, "conditions for Peruvian journalists improved markedly."

The support strategy had been pioneered in 1997 by Argentine journalist

Rapporteur for Freedom of Expression to monitor press freedom in member states.

The movement has gone intercontinental. The West African Journalists Association and similar groups have spurred mass demonstrations in Niger, to protest a military assault on Radio Anfani; in Burkina Faso, after the death of editor Norbert Zongo of *L'Independent* in a suspicious auto crash; and in Zimbabwe to protest the arrest and torture of Mark Chavunduka, editor of the *Standard*, and his staff writer Ray Choto. And in Asia the Southeast Asian Press Alliance plans a secretariat in Bangkok to monitor press freedom in the region. All the groups share information through an Internet-based network, the International Freedom of Expression Exchange ([www.ifex.org](http://www.ifex.org)), administered in Toronto by Canadian Journalists for Free Expression. An alert about a press freedom violation, posted on IFEX, can prompt an instant letter-writing campaign from press groups around the world.

None of this guarantees that the press will be free. Some governments can only be called harshly repressive. No criticism

of the regime and no independent press is allowed in North Korea or Saudi Arabia, for instance. The governments of Iraq, Iran, Myanmar and Cuba all control their local press. China's press now includes nongovernment media, but after a brief feint at liberalizing last year, the official line is hardening again. In Kuwait two journalists were jailed for six months for printing a mild joke that the government found sacrilegious (see page 90).

In countries where violent abuses are waning, they are often replaced by legalistic or arbitrary restraints on the press that are all too effective. Libel is an offense that should be left to the civil courts, but many governments have criminalized it, so journalists can be jailed and fined. Worse are the insult laws that make it a crime to damage reputations, especially those of high officials and their friends. Often truth is not a defense and reporters can be compelled to disclose their sources.

Even without overt censorship, governments can control the media through official licensing, ownership of the printing presses, control of the paper supply and repeated heavy fines for libel and defama-

*In countries where less repression is employed, restraints can mean heavy fines or arrest for libel or defamation*

tion. Omar Belhouchet, director of Algeria's *El-Watan*, estimates that he has been hit with 30 prosecutions and has to go to court two or three times a week to fight them. Last year Jordan and Yugoslavia imposed harsh new press codes. Azerbaijan dropped formal censorship only to step up the filing of criminal libel charges.

In fighting the censors, a journalist's best ally may be the modern world's technical innovations. Across the Middle East and North Africa, satellite dishes bring forbidden broadcasts to tens of thousands. The Internet makes nearly everything available nearly everywhere: When Suharto banned the independent newsweekly *Tempo*, its electronic doppelganger

popped up on a website. Poor people can't afford computers, but that doesn't have to stop the flow. There are cybercafés in cities everywhere, and in Africa roadside kiosks are appearing that let passersby surf the Internet for a small fee. Predictably, tyrants fear the Net and try to curb it. In Myanmar possession of a modem can get you 15 years in jail. But the curbs are mainly ineffective. The London-based *Al-Quds-al-Arabi* is banned in Jordan but can easily be seen there online. The Internet, says the paper's editor, "has penetrated all borders and made press censorship the joke of the century."

Well, not quite: 24 killings, 118 jailed journalists and countless lesser abuses testify to the censor's lasting power. In the end, journalists must provide their own best weapon in the fight for freedom: the courage and stubborn determination to defy long odds and speak out. The good news is that the odds these days aren't quite as long. "Information is like water," says *Tempo* editor Goenawan Mohamad. "When a rock impedes the flow, water still flows by the side of the rock or through the crevices."

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Afghanistan

- **MAHMOUD SEREMI**, Afghanistan bureau chief of IRNA, the official Iranian news agency, was reported missing Aug. 8 along with 10 Iranian diplomats as the Taliban secured the northern city of Mazar-i-Sharif. After more than a month of denials, the Taliban reported that 9 had been found dead, including Seremi.

Bangladesh

- In August **SAIFUL ALAM MUKUL**, editor of the *Daily Runner*, was killed by machine-gun fire. Local press speculation focused on the possibility that Mukul was murdered by extremists loyal to the East Bangla Communist Party.

Brazil

- On March 10 **JOSE CARLOS MESQUITA** of TV Ouro Verde was murdered in Rondonia. He had made a reputation as a crusading reporter who specialized in investigating local political issues.

Bulgaria

- **YOVKA ATANASSOVA**, editor of the independent daily *Starozagorski Novini*, was convicted of five criminal libels, sentenced to five months in prison and fined.

Burkina Faso

- The editor of the opposition weekly *L'Independent*, **NORBERT ZONGO**, was apparently murdered on the road between Sapouy and Ouagadougou.

Cambodia

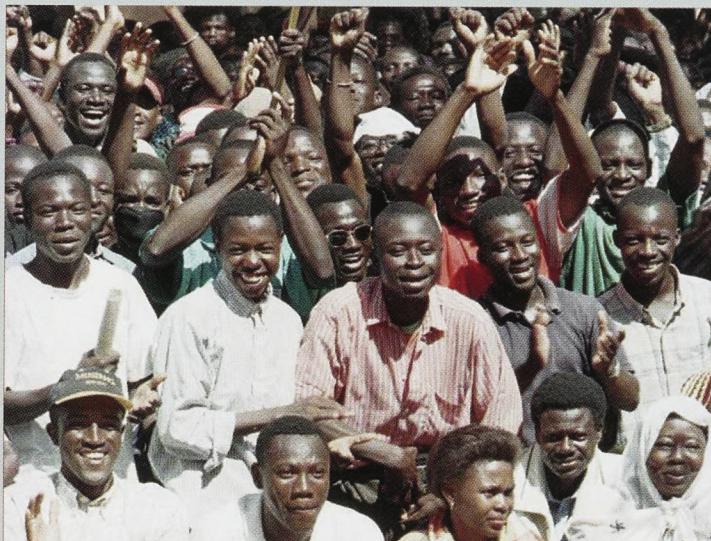
- A correspondent for *Asia Business News*, **ED FITZGERALD**, was expelled following allegations that his reports for ABN were critical of Cambodia's economic situation.
- In June **THONG UY PANG**, editor in chief of *Koh Satetheap*, was shot. His paper attributed the attack to powerful politicians in the present government.

Cameroon

- **MICHEL MICHAUT MOUSSALA**, director of the newspaper *Aurore Plus*, was reported to be in deteriorating condition in the central prison at Douala. Moussala was

# Trouble Spots:

## Dateline's List of OPC Protests



BURKINA FASO JOURNALIST'S DEATH INCITES PROTEST

imprisoned after publication of an article that accused a member of the People's Democratic Movement of corruption.

China

- **SHI BINHAI**, an editor of *China Economic Times*, was arrested for his work on *Political China*, a book calling for political reform.
- A Japanese journalist, **YUKIHISA NAKATSU**, of *Yomiuri Shimbun*, was ordered to leave China after visiting Tibet with 20 other Japanese reporters. Security agents seized Nakatsu's notes and other documents in searches of his home and office.

Colombia

- **OSCAR GARCIA CALDERON**, a sports-writer at *El Espectador*, was murdered while investigating links between bullfighting and organized crime.
- **NELSON CARVAJAL CARVAJAL** was shot 10 times outside the elementary school in Pitalito where he taught. Carvajal wrote reports on corruption in local government.
- **AMPARO JIMENEZ PAYARES**, who built her reputation as an investigative reporter for the television news shows *En Vivo* and *QAP*, was shot to death after walking her son to school.

- The next day, **JOSE ARTURO GUAPACHA**, editor of *El Panorama*, was murdered in Cartago. Guapacha had written articles about drug traffickers.

- **BARNABE CORTES**, a reporter for the program *Noticias CVN* who often covered the drug trade, was shot to death by several gunmen while riding in a taxi in Cali.

Croatia

- **DAVOR BUTKOVIC** and **VLADO VURUSIC** of *Globus* were convicted of criminal libel. An article in *Globus* had summarized a study by a U.S. firm alleging rampant corruption at the highest levels of government in Croatia.

Egypt

- An appellate court upheld the criminal libel conviction of **GAMAL FAHMY**, who wrote an article in 1996 critical of the views of Tharwat Abaza during the 1956 Suez crisis. Three other journalists have been jailed under Egyptian libel laws.

Ethiopia

- **DAWIT KEBEDE**, publisher of *Fiyameta*, was arrested in connection with his paper's account of a 17-year-old girl's abduction, allegedly by the president of the South Nations Regional State with the complicity of the state police commissioner.

Georgia

- **GEORGY CHANYA**, a reporter for the daily *Rezonants*, died while covering fighting between Abkhazi rebels and Georgian guerrillas near Gali. Chanya was killed during a raid by rebels on the guerrilla camp.

Ghana

- **HARUNA ATTA** of the *Weekend Standard* and **KWEKU BAAKA JR.** of the *Guide* were imprisoned in connection with charges brought against them by First Lady Nana Konadu Agyeman-Rawlings.

India

- **PRAKASH MAHANTA**, a reporter for *Natun Samoy*, was beaten by police officers known locally as Black Panthers, apparently in retaliation for Mahanta's articles charging corrupt campaign practices by Dr. Jayshree

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Goswami Mahanta, wife of Assam's chief minister Prafulla Kumar Mahanta.

### Indonesia

- While covering political unrest in Medan, **PAUL WATSON**, Asia bureau chief of the *Toronto Star*, was arrested and deported.
- Following Suharto's resignation as President, **JOHN STACKHOUSE**, a correspondent for the *Toronto Globe & Mail*, was deported. Stackhouse was on a blacklist compiled by the Indonesian armed forces, evidently in connection with articles he wrote about East Timor in 1997.

### Iran

- MORTEZA FIROUZI**, editor of *Iran News*, was sentenced to death on charges of espionage. Amnesty International tried unsuccessfully to establish the reasons for Firouzi's arrest and the charges against him, which included spying and adultery.

### Israel

- At least eight journalists in Hebron were wounded, apparently intentionally, by gunfire from Israeli Defense Forces while covering a confrontation between the troops and Palestinian protesters.

### Jordan

- The High Court of Justice annulled harsh 1997 amendments to Jordan's Press and Publications law. But the ruling was made on technical grounds, prompting Bilal al-Tal, director of the Press and Publications Department, to tell the *Jordan Times* that nothing should prevent the government from reintroducing the measures.

### Kazakhstan

- After publishing fewer than 30 issues, the opposition newspaper *XXI Vek* was shut down two days after its offices were firebombed, allegedly as a government reprisal.

### Kenya

- MAGAYU MAGAYU**, editor of the *Star*, and **WATHENGE WANDERI**, managing director of Star Publishers Unlimited, were indicted for publishing an article headlined HOW THE COUP WAS TO BE EXECUTED.

### Republic of Korea

- The publisher of *Inside the World* magazine, **SON CHUNG MU**, was arrested on a claim of criminal defamation. Son was

charged with receiving a payoff from former KCIA chief Kwon Young Hae to slander the reputation of President Kim Dae Jung during the 1997 presidential campaign.

### Kuwait

- MUHAMMAD JASIM AL-SAQR**, editor in chief of *Al-Qabas*, and **IBRAHIM MAR-ZOUK**, a freelance journalist for the paper, were sentenced to six months in prison for a joke published in January in which a teacher asked a student, "Why did God evict Adam and Eve from paradise?" The student replied, "Because they did not pay the rent."



POLICE AID A JOURNALIST HIT BY PINOCHET SUPPORTERS

### Liberia

- The Solicitor General prohibited commercial printers from producing copies of the newspaper *Heritage*, which had attacked the government for being insufficiently appreciative of the sacrifices made by the West African Peacekeeping Force during most of Liberia's 17-year civil war.

### Malaysia

- The Information Ministry moved to monitor more closely the movement of foreign journalists. Journalists are already compelled to register with the Home Ministry to obtain a work permit. Deputy Information Minister Suleiman Mohamed told local reporters that if the media indulge in activities that threaten political stability or national unity, "we will come down hard."

### Mexico

- PHILIP TRUE**, Mexico correspondent for the *San Antonio Express-News* since 1996, was apparently murdered. Foreign journalists in Mexico City formed a committee to

ensure the impartiality of the investigation into True's death.

- A few days after his interrogation by a federal police officer, **LUIS MARIO GARCIA RODRIGUEZ** of the Mexico City daily *La Trade* was shot to death on a street corner. Garcia had reported extensively on corruption in the national Attorney General's office and in the Federal Judicial Police.

### Nigeria

- JOSHUA OGBONNA**, publisher of the *Rising Sun*, was arrested following publication of articles critical of the campaign to civilize the military government.

- JOHN EDWARD** and **GANIYU ADCOYE** of *Prime Sunset* were arrested by officers of the State Security Service in Lagos.

- DANLAMI NMODU**, Kaduna bureau chief of *Tell* magazine, was arrested by members of the SSS.

- After the death of strongman Sani Abacha, 16 of 17 journalists who had been imprisoned for periods up to two years were freed. The last has since been released.

### Pakistan

- Unidentified gunmen attempted to murder Afghan journalist **HAMID AZIZI**, working in Peshawar.

### Peru

- Journalists covering security matters in Peru found themselves the object of hostile press coverage in a campaign linked by some to Peruvian security forces.

### Philippines

- A correspondent for radio station DXMY in Cotabato City, **NELSON CATIPAY** was shot to death while headed for a news conference in Kudarat. **REY BANCARIN**, a popular commentator for DXLL in Mindanao and a tough critic of illegal logging, was murdered in the middle of a broadcast. They were the latest in a line of 33 journalists killed in the Philippines since the overthrow of Ferdinand Marcos in 1986.

### Romania

- Criminal libel convictions and one-year prison sentences were given to **OVIDIU SCUTELNICE** and **DROGOS STINGU**, reporters for *Monitorul*, in connection with their article "Dismissal at the Top of Issi Police." The article told how a local police

colonel was fired from his job and revealed the sources of his wealth.

### Russia

- **ANATOLY LEVIN-UTKIN**, deputy editor of the St. Petersburg weekly *Yuridichesky Peterburg Sevodnya*, was beaten before completing the third installment of an investigative series on local politicians. His attackers stole the materials he was using to prepare his next article.
- **LARISA YUDINA**, editor in chief of the opposition newspaper *Sovetskaya Kalmykia Sevodnya* in the Republic of Kalmykia, was murdered. Yudina was a frequent target of threats and harassment because of her paper's exposés of local corruption and abuse in office by the republic's President Kirsan Ilyumzhinov.

### Rwanda

- **EMMANUEL MUNYEMANZI**, a journalist in the Rwandese Information Office, disappeared shortly after being suspended from the national television station. His suspension was reportedly linked to a dispute with the director of the Rwandese Information Office, Major Wilson Rutayisire.

### Sierra Leone

- Three BBC correspondents, **WINSTON OJUKUT-MACAULEY, SULAIMAN MOMODU** and **SYLVESTER ROGERS**, were arrested in retaliation for their coverage of the civil conflict in Sierra Leone.

### Sri Lanka

- Five gunmen believed to be acting on behalf of Sri Lankan security forces forcibly entered the home of **IQBAL ATHAS** in an apparent abduction attempt. Athas, known for his investigation into the armed forces, was placed under police protection.
- An apparent pattern of harassment against Indian journalists continued with a raid by soldiers on the home of a correspondent for the *Indian Express*. Notebooks and papers were searched, and she was pressured to describe her contacts with Tamil rebels.

### South Africa

- Soldiers of the South African National Defense Forces broke into the house of **NALELI NTLEMA**, a columnist with *Public Eye*. Conducted without a warrant, the two-hour search was believed to be in retaliation

for a column in which Ntlema called the intervention of the SANDF in Lesotho an invasion and an attack.

### Syria

- An activist with the independent Committees for the Defense of Democratic Freedoms and Human Rights (CDF) in Syria, **NIZAR NAYYOUF**, was reportedly in need of lifesaving medical treatment. Sentenced to 10 years in prison in 1993, the editor in chief of the CDF's monthly publication, *Sawt al-Democratiyya*, is held in solitary confinement and suffers from Hodgkin's disease, paralysis of his lower extremities and kidney failure.

### Togo

- The editor of Lome's bimonthly newspaper, *La Depeche*, was arrested on a defamation complaint filed by the Minister of Defense, Assane Tidjani, after publishing an article critical of the police.
- **ELIAS HOUNKALI** of *La Nouveau Combat* was arrested and charged with attacking the honor of the President and his wife following publication of his articles "The Widow Mrs. Bobi Mobutu Demands from Mrs.



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Badagnaki Eyadema Her 17 Trunks of Jewelry Missing in Lome" and "Eyadema Fishes for a Letter of Congratulation from Chirac."

### Trinidad & Tobago

- Local reporters complained that members of the United National Congress Party have been urged by Prime Minister Basedo Pinday to treat members of the press as "political opponents who are out to destroy us."

### Tunisia

- **TAOUFIK BEN BRIK**, a correspondent for the Paris-based daily *La Croix-L'Evenement*, was summoned to the Ministry of the Interior by police officers and brought before assistant minister Mohammad Ali Ganzoui. The minister complained to Ben Brik about an article in *La Croix* describing police misbehavior in Tunis. The interview ended with Ganzoui's suggestion to Ben Brik that he leave his profession.

### Turkey

- A leading journalist, **RAGIP DURAN**, was sentenced to 10 months in prison under Turkey's antiterrorism law for publishing an

interview with Abdullah Ocalan, leader of the Kurdistan Workers Party.

### Uganda

- **OGEN KEVIN ALIRO** of the *Monitor* was beaten severely in Kampala. The attack was believed to be a retaliation for his investigative report "Safe House: A Return to the Shadows?" which said that the practice of torture has returned in "safe" houses operated by Uganda's Internal Security Organization and the Department of Military Intelligence.

### Yemen

- After receiving repeated threats in connection with his work for the newspaper *Al-Ayyam*, **NABIL AL-AMOUDI** was held in confinement by agents of Yemen's Political Security in the town Zinjbar.

### Yugoslavia

- A government decree banning any news coverage deemed unpatriotic remains in effect until further notice. The newspapers *Danas* and *Dnevni Telegraf* were shut down for insufficiently adhering to the Ministry of Information's directive that they put their

editorial policies to work preserving the territorial integrity, sovereignty and independence of Serbia and Yugoslavia. Radio Index in Belgrade and Radio Senta in northern Serbia were shut down. Stations still in operation were forbidden to relay Serbian-language broadcasts from the BBC, Deutsche Welle, Radio France International or the Voice of America.

- **DAJAN ANASTASIEVIC** and **Milos VASIC**, reporters with the weekly *Vreme*, were threatened with criminal prosecution for their coverage of alleged war crimes in Kosovo. **PETER LIPPMAN**, a Seattle-based journalist, was jailed for two days along with two American peace activists. **TARAS PROTSYUK**, a Ukrainian camera operator for Reuters TV, was attacked from behind and beaten as he filmed an interview with an Albanian woman in Pristina. That same day in Pristina, three other journalists were attacked, including **MICHAEL ROUSER** of Belgium's RTBF, who was hospitalized. These incidents were in addition to six reporters attacked while covering protests in March. Among them was **ARGON BAJRAMI** of *Koha Dieter*, whose offices have been ransacked several times.

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